

Exhibit A, Attachment I TAKEOVER

The use of headings of titles throughout this exhibit is for convenience only and shall not be used to interpret or govern the meaning of any specific term, function, or activity.

Index Takeover – Exhibit A, Attachment I

	Title	Page
1.0	Takeover	1-1
1.1	Overview	1-1
1.2	Objectives	1-1
1.3	Assumptions and Constraints	1-1
1.4	General Requirements	1-1
1.5	Takeover Schedule	1-2
1.5.1	Takeover Deliverables	1-8
1.6	Takeover Management and Planning	1-9
1.6.1	Takeover Work Plan	1-9
1.6.2	Project Control and Reporting Process	1-10
1.6.3	Takeover Management Team	1-12
1.7	Personnel Acquisition Plan and Organizational Structure Chart	1-13
1.7.1	Personnel Acquisition Plan	1-13
1.7.1.1	Hiring Process Report	1-13
1.7.1.2	Personnel Hiring Commitments	1-14
1.7.2	Organizational Structure Chart	1-14
1.8	Assumption of Operations Plans	1-15
1.9	Facilities	1-17
1.9.1	Facilities Acquisition and Installation Plan	1-17
1.9.2	Set-Up	1-19
1.10	Customer Service	1-19
1.10.1	Customer Service Plan	1-19
1.10.2	Set-Up Customer Service Functions	1-20
1.10.3	Telephone Call Center	1-20
1.10.3.1	Caller Satisfaction Evaluation Tool	1-20
1.10.4	Enrollment Service Representative Presentations	1-20
1.10.4.1	Presentation Site Space and Staffing Plan	1-20
1.10.4.2	Materials	1-22
1.10.4.3	Staffing Levels	1-22
1.10.4.4	Supervision	1-23
1.10.4.5	Observation/Evaluation Tool	1-23
1.10.4.6	Attendee Feedback Evaluation Tool	1-23
1.10.4.7	Attendance Records	1-23
1.10.5	Research Satisfaction Evaluation Tool	1-23
1.10.6	Customer Service Portal	1-24
1.10.7	Provider Information Network	1-24
1.11	Informing Materials	1-24
1.11.1	Materials Development and Production, and Mailing Functions Plan	1-24
1.11.2	Develop and Produce, and Mail Informing Materials	1-24
1.11.3	Medi-Cal Publications	1-25
1.12	Enrollment/Disenrollment Process	1-26
1.12.1	Enrollment/Disenrollment Processing Compliance Plan	1-26
1.12.2	Enrollment/Disenrollment Processing Procedures and Process Group Organization Manual	1-26

1.12.3	Communication Links	1-26
1.12.4	Information Dictionary Users Guide	1-26
1.12.5	Information Files	1-27
1.12.5.1	Information File Layout Descriptions Manual	1-27
1.12.5.2	Information File Installation Plan	1-27
1.12.5.3	Installation of Files	1-27
1.12.5.4	Files During Assumption of Operations	1-28
1.12.6	Process Testing	1-28
1.12.6.1	Process Testing Plan	1-28
1.12.6.2	Process Testing	1-29
1.12.7	Acceptance Testing	1-31
1.12.7.1	Acceptance Testing Support Plan	1-32
1.12.7.2	Acceptance Testing Responsibilities	1-32
1.12.7.3	Acceptance Testing – CDHS Rights	1-34
1.12.7.4	Acceptance Testing Categories	1-35
1.12.7.5	Selected Acceptance Testing Scenarios	1-35
1.12.7.5.1	On-Line Functions Testing	1-36
1.12.7.6	Volume, Stress and Parallel Testing	1-36
1.12.7.7	General Enrollment/Disenrollment Processing Accuracy Testing	1-37
1.12.7.8	Contractor Staff Proficiency Testing	1-38
1.12.7.9	Security and Confidentiality Testing and Disaster Prevention and Disaster Recovery/Business Continuity Testing	1-38
1.12.7.10	Acceptance Testing Evaluation Response	1-39
1.12.7.11	Acceptance Decisions	1-39
1.12.8	Evaluation of Manuals	1-39
1.12.9	Process Group	1-40
1.13	Quality Management Program	1-40
1.13.1	Quality Assurance Plan	1-40
1.13.2	Quality Assurance Standards and Procedures Manual	1-40
1.13.3	HCO Operations Policy and Procedures Manual	1-40
1.13.4	Policy and Procedures Manuals Installation Plan	1-41
1.13.5	Policy and Procedures Manuals Submission	1-41
1.14	Problem Correction Process	1-42
1.14.1	Problem Correction Process Plan	1-42
1.15	Reports Distribution List	1-42
1.15.1	Report Users Manuals	1-42
1.16	Records Retention	1-43
1.16.1	Records Retention Procedures Plan	1-43
1.16.2	Implementation of Records Retention Function	1-43
1.17	Security and Confidentiality Plan	1-44
1.18	Disaster Prevention and Disaster Recovery/Business Continuity Plan	1-44
1.19	Health Plan Enrollment Process	1-45
1.19.1	Health Plan Enrollment Process Compliance Plan	1-45
1.9.2	HPE Process Procedures and Systems Group Organization Manual	1-45
1.20	Data Dictionary Users Guide	1-45
1.20.1	Files	1-45
1.20.1.1	File Layout Descriptions Manual	1-46
1.20.1.2	File Installation Plan	1-46
1.20.1.3	Installation of Files	1-46
1.20.1.4	Files During Assumption of Operations	1-47
1.20.2	Systems Testing	1-47
1.20.2.1	Systems Testing Plan	1-47
1.20.2.2	Systems Testing	1-48
1.20.3	Acceptance Testing	1-50

1.20.3.1	Acceptance Testing Support Plan	1-51
1.20.3.2	Acceptance Testing Responsibilities	1-51
1.20.3.3	Acceptance Testing – CDHS Rights	1-53
1.20.3.4	Acceptance Testing Categories	1-54
1.20.3.5	Selected Acceptance Testing Scenarios	1-55
1.20.3.5.1	On-Line Functions Testing	1-55
1.20.3.6	Volume, Stress and Parallel Testing	1-55
1.20.3.7	General HPE Process Accuracy Testing	1-56
1.20.3.8	Contractor Staff Proficiency Testing	1-57
1.20.3.9	Security and Confidentiality Testing and Disaster Prevention and Disaster Recovery/Business Continuity Testing	1-58
1.20.3.10	Acceptance Testing Evaluation Response	1-58
1.20.3.11	Acceptance Decisions	1-59
1.20.4	Evaluation of Manuals	1-59
1.20.5	Systems Group	1-59
1.21	Financial Management	1-59
1.22	Other Administrative Procedures	1-60
1.23	Assumption of Operations	1-60
1.23.1	Enrollment/Disenrollment Processing	1-60
1.23.2	Two-Way File Transfer	1-61
1.23.3	File Maintenance	1-61
1.24	Takeover Completion	1-61

1.0 TAKEOVER

1.1 OVERVIEW

This section provides the Contractor with the activities, due dates and quality assurance levels necessary to perform all activities for the assumption of the HCO Operations. The complete adherence to the requirements stated herein provides the California Department of Health Services (CDHS), with assurance that the Contractor will be effective in meeting Exhibit A, Attachment II, Scope of Work requirements during the HCO Operations time period. These Takeover requirements are a roadmap for the Contractor to follow in preparing to assume full operations under the Health Care Options (HCO) Contract.

The Takeover requirements discussed in this section, and completion dates for each, are detailed in the Exhibit A, Attachment I, Section 1.5, Takeover, Takeover Schedule. The dates and time frames stated in both the Takeover Schedule and narrative of this section may need to be adjusted to accommodate changing circumstances during the Takeover process. Thus, the Contractor's Takeover plans shall be submitted to CDHS, and subsequently updated, as required by CDHS, herein.

1.2 OBJECTIVES

The Takeover requirements as noted in this section shall:

- A. Ensure the Contractor is able to fully assume all HCO Operations activities in order to educate, enroll, disenroll and transition Medi-Cal beneficiaries into managed care plans;
- B. Ensure a smooth transition of HCO Operations from the current contractor to the new Contractor; and
- C. Ensure the timely and accurate implementation of the Contractor's HCO Operations so that beneficiary enrollment activities remain uninterrupted.

1.3 ASSUMPTIONS AND CONSTRAINTS

Takeover activities shall commence nine (9) months prior to Assumption of Operations. If CDHS extends the current Contract term, all Takeover activities shall be delayed for a commensurate period of time. Takeover activities are scheduled to conclude three (3) months following CDHS written approval of the user acceptance and implementation of the HCO Operations, and all requirements as listed in provision 1.28 Takeover Completion.

1.4 GENERAL REQUIREMENTS

- A. The Contractor shall complete all Takeover tasks and activities in accordance with the requirements of this section and of the Takeover Schedule.

- B. The Contractor shall develop for submission to CDHS a Takeover Work Plan (TWP) as described in this section.
- C. Unless otherwise specified, Takeover deliverables that apply to ongoing HCO Operations shall be regularly maintained, updated, and submitted to CDHS for approval throughout the term of the Contract.
- D. The Contractor shall employ quality management measures throughout Takeover and continue these during the term of the Contract, as required in Exhibit A, Attachment II, Section 4, Quality Management Program. Sufficient trained and experienced quality management personnel shall be on staff to ensure that all quality management requirements are met during Takeover. The quality management measures that must be in place during Takeover shall include, but not be limited to:
 - 1. Contractor management review of deliverables to ensure Contract compliance and timely performance of Contract requirements.
 - 2. Monitoring of milestones on the Contractor's TWP to ensure that all activities are completed in accordance with Contract provisions.
 - 3. Assurance that all deliverables are complete and accurate at the time of submission to CDHS.
 - 4. A process that: 1) identifies deficiencies that compromise completion schedules and deliverables' accuracy; 2) reports these problems in written form, along with proposed solutions, to CDHS on a weekly basis; and 3) monitors the Problem Correction Process to ensure they are consistent with the directions and time frames provided in Exhibit A, Attachment II, Section 5, Problem Correction Process.
 - 5. The inclusion of Takeover Quality Management reports in the Contractor's Weekly Deliverable Status (WDS) Report, described below in 1.6.2 C.

1.5 TAKEOVER SCHEDULE

Takeover requirements, activities, milestones, deliverables, and due dates discussed in this section are detailed in the Takeover Schedule appearing below. All data and information submitted by the Contractor, as required by the Takeover Schedule, shall be accompanied by Contractor letter, signed by the Contractor's Takeover Manager or an appointed designee, certifying that the supplied material(s) is/are current, accurate, and complete.

Unless otherwise specified, all due date periods are calculated from the Contract Effective Date (CED).

Takeover Schedule

Milestone/Deliverable	Due Date (CED = Contract Effective Date)	RFP/Contract Reference
TAKEOVER MANAGEMENT AND PLANNING		
Submit Updated Takeover Work Plan	2 Weeks After CED	Takeover, 1.6.1
Submit Gantt Chart of Takeover Work Plan	2 Weeks After CED	Takeover, 1.6.1.C
Submit Project Control and Reporting Process Reports	2 Weeks After CED and Weekly Thereafter	Takeover, 1.6.2
Assemble Takeover Management Team	CED	Takeover, 1.6.3.A
Submit Names and Resumes of Takeover Management Team Members	CED	Takeover, 1.6.3.B
Designate Takeover Manager	CED	Takeover, 1.6.3.C
PERSONNEL ACQUISITION PLAN AND ORGANIZATIONAL STRUCTURE CHART		
Update Personnel Acquisition Plan and Organizational Structure Chart	2 Weeks After CED and Monthly Thereafter, Throughout the Term of the Contract	Takeover, 1.7
Hire Personnel	Prior to Assumption of Operations	Takeover, 1.7.1
Submit Hiring Progress Report	2 Weeks After CED and Bi-Weekly Through Takeover, and Thereafter Monthly Throughout the Term of the Contract	Takeover, 1.7.1.1
Contractor Resources Level Report	2 Weeks After CED, at Assumption of Operations, and Thereafter Monthly Throughout the Term of the Contract	1.7.1.(A)
ASSUMPTION OF OPERATIONS PLAN		
Submit Plan for Assumption of Operations	1 Month After CED	Takeover, 1.8
FACILITIES		
Submit Updated Facilities Acquisition and Installation Plan	3 Weeks After CED	Takeover, 1.9.1
Accept inventory of DHS-owned, cost-reimbursed equipment, etc.	TBD	Takeover, 1.9.1
Provide Facility(ies) for CDHS Takeover and User Acceptance Staff, Temporary or Permanent	2 Weeks After CED	Takeover, 1.9.2

Milestone/Deliverable	Due Date (CED = Contract Effective Date)	RFP/Contract Reference
Obtain Permanent Facility(ies) and Be Completely Operable	2 Weeks Prior to Assumption of Operations	Takeover, 1.9.2.B
Provide On-Site Space for Full CDHS Staff	2 Weeks Prior to Assumption of Operations	Takeover, 1.9.2.B
CUSTOMER SERVICE		
Submit Customer Service Plan	2 Weeks After CED	Takeover, 1.10.1
Ensure Sufficient Staffing for All Customer Service Functions	At Assumption of Operations	Takeover, 1.10.2 A
Ensure Telecommunications Operational for Assumption of Operations	1 Month Prior to Assumption of Operations	Takeover, 1.10.2 B
Ensure Customer Service Processes and Documentation in Affect	At Assumption of Operations	Takeover, 1.10.2 C
Submit Caller Satisfaction Evaluation Tool	One (1) Month Prior to Assumption of Operations	Takeover, 1.10.3.1
Submit Presentation Site Space and Staffing Plan	Three (3) months prior to Assumption of Operations,	Takeover, 1.10.4.1
Regional Presentation Sites Operable	2 Weeks Prior to Assumption of Operations	Takeover, 1.9
Provide Project Management Software	2 Weeks Prior to CED	Takeover, 1.11
Submit Presentation Materials	One (1) Month Prior to Assumption of Operations	Takeover, 1.10.4.2
Submit Observation/Evaluation Tool	One (1) Month Prior to Assumption of Operations	Takeover, 1.10.4.5
Submit Attendee Feedback Evaluation Tool	One (1) Month Prior to Assumption of Operations	Takeover, 1.10.4.6
Submit Attendance Records	One (1) Month Prior to Assumption of Operations	Takeover, 1.10.4.7
Submit Research Satisfaction Evaluation Tool	One (1) Month Prior to Assumption of Operations	Takeover, 1.10.5
Submit Customer Service Portal	Three (3) Months Prior to Assumption of Operations	Takeover, 1.10.6
Ensure Customer Service Portal Operational	One (1) Month Prior to Assumption of Operations	Takeover, 1.10.6
Submit Provider Information Network	Three (3) Months Prior to Assumption of Operations	Takeover, 1.10.7
Ensure Provider Information Network Operational	One (1) Month Prior to Assumption of Operations	Takeover, 1.10.7

Milestone/Deliverable	Due Date (CED = Contract Effective Date)	RFP/Contract Reference
INFORMING MATERIALS		
Submit Materials Development and Production, and Mailing Functions Plan	3 Weeks After CED	Takeover, 1.11.1
Ensure Sufficient Staff for Distribution and Production, and Mailing Operations	3 months Prior to Assumption of Operations	Takeover, 1.11.2 A
Ensure Ability to Develop, Produce and Mail	Two (2) Months Prior to Assumption of Operations	Takeover, 1.11.2 B
Obtain Informing Materials Subcontractor (if needed)	2 Months Prior to Assumption of Operations	Takeover, 1.13
Ensure Adequate Inventory of Materials	1 Month Prior to Assumption of Operations	Takeover, 1.11.2 C
Submit Materials Development, Production and Mailing Function Plan For Medi-Cal Publications	3 Weeks After CED	Takeover, 1.11.3
Ensure Sufficient Staff for Printing, Distribution and Mailing Operations For Medi-Cal Publications	3 months Prior to Assumption of Operations	Takeover, 1.11
Obtain Informing Materials Subcontractor (if needed) For Medi-Cal Publications	2 Months Prior to Assumption of Operations	Takeover, 1.11
Ensure Adequate Inventory of Materials For Medi-Cal Publications	1 Month Prior to Assumption of Operations	Takeover, 1.11.2
Submit Medi-Cal Publications Plan	3 Months Prior to Assumption of Operations	Takeover, 1.11.3
Be Fully Operational, Staffed, and Accept Physical Control of Master Documents and Existing Inventories For Medi-Cal Publications Activities	2 Weeks Prior to Assumption of Operations	Takeover, 1.11.3
ENROLLMENT/DISENROLLMENT		
Enrollment/Disenrollment Processing Compliance Plan	2 Weeks After Contract Effective Date	Takeover, 1.12.1
Enrollment/Disenrollment Processing Procedures	3 Months prior to Assumption of Operations	Takeover, 1.12.2
Submit Process Group Procedures Manual	3 Months Prior to Assumption of Operations	Takeover, 1.12.2
Establish Communication Links	2 Months Prior to Assumption of Operations	Takeover, 1.12.3
Information Dictionary Users Guide	Prior to Acceptance Testing	Takeover, 1.12.4
Contractor Ensures its PG is Fully Staffed and Operational	1 Week Prior to Assumption of Operations	Takeover, 1.12.5

Milestone/Deliverable	Due Date (CED = Contract Effective Date)	RFP/Contract Reference
Submit Project Tracking Reports Formats	3 months Prior to Assumption of Operations	1.18.1C?????
QUALITY MANAGEMENT PROGRAM		
Submit Updated Quality Assurance Plan	One (1) Month After CED	Takeover, 1.13.1
Submit Quality Assurance Standards and Procedures Manual	Three (3) Months after CED	Takeover, 1.13.2
Implement Standards and Procedures	One (1) Month Prior to Assumption of Operations	Takeover, 1.13.2
Submit HCO Operations Policy and Procedures Manuals Installation Plan	One (1) Month After CED	Takeover, 1.13.4
Submit HCO Operations Policy and Procedures Manuals	Two (2) Months Prior to Assumption of Operations	Takeover, 1.13.5
PROBLEM CORRECTION PROCESS		
Develop and Submit Problem Correction Process Plan	3 Months Prior to Assumption of Operations	Takeover, 1.14.1
REPORTS		
Submit Reports Distribution List	2 Months Prior to Assumption of Operations	Takeover, 1.15
Install CDHS-Approved Reports Distribution List	1 Month Prior to Assumption of Operations	Takeover, 1.15
Submit Report Users Manuals	3 Months Prior to Assumption of Operations	Takeover, 1.15.1
Provide CDHS-Approved Report Users Manuals	1 Month Prior to Assumption of Operations	Takeover, 1.15.1
RECORDS RETENTION		
Submit Records Retention Procedures Plan	3 Months Prior to Assumption of Operations	Takeover, 1.16.1
Implement CDHS-Approved Records Retention Plan	At Assumption of Operations	Takeover, 1.16.2 A
Submit Copy of Master Index of Records	1 Month Prior to Assumption of Operations	Takeover, 1.16.2 B
Submit Document Management Process Specifications	One (1) Month Prior to Assumption of Operations	Takeover, 1.16.2 C
Submit Records Retention and Retrieval policy and Procedures Manual	Four (4) Months Prior to Assumption of Operations	Takeover, 1.16.2.D
Submit Records and/or Files Summary	At Assumption of Operations	Takeover, 1.16.2.E
SECURITY AND CONFIDENTIALITY		
Submit Security and Confidentiality Plan	1 Business Day After CED	Takeover, 1.17.A
Implement Security and Confidentiality Plan	Two (2) Weeks After CED	Takeover, 1.17.B

Milestone/Deliverable	Due Date (CED = Contract Effective Date)	RFP/Contract Reference
DISASTER PREVENTION AND DISASTER RECOVERY/BUSINESS CONTINUITY		
Submit Disaster Prevention and Disaster Recovery/Business Continuity Plan	4 Months Prior to Assumption of Operations	Takeover, 1.18.A
Ensure Storage of Back-Up Data	One (1) Month After CED	Takeover, 1.18. B
Submit Updating Procedures	Four (4) Months Prior to Assumption of Operations	Takeover, 1.18. C
Identify Back-Up Facility(ies)	Four (4) Months Prior to Assumption of Operations	Takeover, 1.18. D
HPE PROCESS		
Submit Systems Group Procedures Manual	3 Months Prior to Assumption of Operations	Takeover, 1.19.1
Contractor Ensures its SG is Fully Staffed and Operational	1 Week Prior to Assumption of Operations	1.19.1(B)
Submit Project Tracking Reports Formats	3 months Prior to Assumption of Operations	1.19.1C
DATA FILES		
Submit Data File Layout Descriptions Manual	1 Month After CED	Takeover, 1.20.1.1
Submit Data File Installation Plan	3 Weeks After CED	Takeover, 1.20.1.2
Accept MEDS Transactions for Assumption of Operations	1 Month Prior to Assumption of Operations	Takeover, 1.20.1.3.C.1
Install Files from Prior Contractor	3 Business Days after Receipt	1.20.1.4
DATA DICTIONARY		
Submit Data Dictionary Users Guide	Prior to Acceptance Testing	Takeover, 1.20
SYSTEMS TESTING		
Submit Updated Systems Testing Plan	1 Month After CED	Takeover, 1.20.2.1
ACCEPTANCE TESTING		
Submit Acceptance Testing Support Plan	3 Months After CED	Takeover, 1.20.3.1
Acceptance Testing	Prior to Assumption of Operations, Per CDHS Direction	Takeover, 1.20.3.2
VOLUME, STRESS AND PARALLEL TESTING		
Parallel Testing	During Acceptance Testing	1.20.3.6
Ensure Testing Completion	Within 3 Business Days	1.20.3.6(B)
CONTRACTOR STAFF PROFICIENCY TESTING		
Ensure Testing Completion	Within 3 Business Days	1.20.3.8(B)
ACCEPTANCE TESTING EVALUATION RESPONSE		
Submit Response to Each SVR	Within 2 Business Days of Receipt	1.20.3.10

Milestone/Deliverable	Due Date (CED = Contract Effective Date)	RFP/Contract Reference
FINANCIAL MANAGEMENT		
Submit Financial Management Manual	One (1) Month After CED	Takeover, 1.21
Submit Cost Reimbursement Plan	Three (3) Months Prior to Assumption of Operations	Takeover, 1.21. B
Submit Updated Estimated Expenses and Actual Expenses Reports	Three (3) Months After CED	Takeover, 1.21.C
OTHER ADMINISTRATIVE PROCEDURES		
Submit Other Administrative Procedures	Two (2) Months Prior to Assumption of Operations	Takeover, 1.22
TRANSFER OF ASSUMPTION OF OPERATIONS		
Receive Inventory Files	One (1) Month Prior to Assumption of Operations	Takeover, 1.231 A
Accept Post Office Boxes	At Assumption of Operations	Takeover, 1.23.1 B
Accept Responsibility for the TCC	At Assumption of Operations	Takeover, 1.23.1 C
ADMINISTRATION		
Submit Ownership and Control Information	In Narrative Proposal (NP)	Exhibit E - Additional Provisions,
Designate Contractor Representative	In NP	Exhibit E - Additional Provisions
Submit Request for Approval of Required Insurance and/or Bonding by Other Than Third Party Carrier	In NP	Exhibit E - Additional Provisions,
Submit Proof of Insurance and Bonding	In NP	Exhibit E - Additional Provisions,
Submit Conflict of Interest Statement, Questionnaires and, if needed, Avoidance Plan	In NP	Exhibit E - Additional Provisions,
Submit Extra Copies of Updated Narrative Proposal	2 Weeks After CED	Exhibit E - Additional Provisions,
Update Conflict of Interest Statements, Questionnaires and, if needed, Avoidance Plan	2 Weeks after CED	Exhibit E - Additional Provisions,

1.5.1 TAKEOVER DELIVERABLES

Each item listed in the Takeover Schedule is considered a Takeover deliverable.

- A. CDHS may require that corrections or revisions be made to each deliverable. The Contractor shall have ten (10) business days from the date CDHS requests revision(s) to correct and resubmit unaccepted deliverables.
- B. The Contractor shall ensure that all CDHS-approved revisions to deliverables and milestones are incorporated into the TWP within five (5) business days of CDHS approval of the revision(s).
- C. The Contractor shall ensure that all milestones and deliverables, both original and revised, are incorporated into the Weekly Deliverable Status report (WDS), as described in 1.6.2 C. Any changes or modifications shall require prior written approval from the CDHS. If approved, the changes shall be incorporated into the WDS report within seven (7) calendar days of approval.
- D. The CDHS shall have the authority to either approve or deny the delivery of any deliverable either before or after the due date that is required in the Takeover Schedule.

1.6 TAKEOVER MANAGEMENT AND PLANNING

1.6.1 TAKEOVER WORK PLAN

The objective of the TWP is to specify, in detail, the Contractor's strategy for meeting all Takeover requirements. The TWP shall demonstrate that the Contractor fully understands and is fully capable of performing the Takeover tasks that directly parallel the corresponding Turnover tasks performed by the previous contractor.

Two (2) weeks after CED, the Contractor shall update and submit to the CDHS for review and approval the TWP included in its Narrative Proposal. Within the updated TWP, the Contractor shall include a comprehensive schedule of tasks that reflect all of the deliverables in the Takeover Schedule in provision 1.5. This comprehensive schedule shall detail all contractual requirements, deliverables, milestones and required CDHS approvals. The Contractor shall allow at least ten (10) business days in the TWP for CDHS review and approval of Takeover deliverables, prior to implementing and/or performing those required Takeover activities. If the CDHS determines that ten (10) business days is not sufficient time for review and approval of Takeover deliverables, the time allotted for CDHS review shall be increased accordingly.

The TWP shall include:

- A. A Work Breakdown Structure (WBS) code used to identify all processes and work performed during Takeover.
- B. Clearly identified contractually defined deliverables, milestones, walkthroughs, and CDHS approvals.
- C. A Gantt (or equivalent) chart that depicts all Takeover activities. This chart shall be submitted two (2) weeks after CED and shall meet the following requirements:

1. It shall be based on Precedence Diagramming Methods, graphically illustrating dependencies and precedence relationships between/among all Takeover activities.
2. The level of detail shall be at deliverable level.
3. It shall be time-based.
4. Critical paths shall be clearly identified.
5. The interrelationships of all activities shall be identified on the chart or in a separate report defining the precedence relationships.

D. A narrative description of each task/activity on the schedule.

1.6.2 PROJECT CONTROL AND REPORTING PROCESS

The Contractor shall utilize a Project Control and Reporting Process (PCRP) to advise CDHS and Contractor management of progress in meeting goals and schedules contained in the TWP. This PCRP reporting mechanism begins two (2) weeks after CED and applies weekly thereafter until the CDHS provides written notification that the Takeover Phase is complete. The PCRP shall consist of the following four (4) elements:

- A. Weekly progress meetings attended by the Contractor and the CDHS. These meetings may include walkthroughs of selected parts of the Contractor's main operating facility, as needed by CDHS staff;
- B. Weekly progress reports submitted by the Contractor to the CDHS in a format agreed upon by both parties prior to submission. Weekly progress reports shall be submitted two (2) business days before each weekly progress meeting. In addition to any media format agreed upon, at least ten (10) hard copies of each report shall be submitted to CDHS weekly;

These reports shall include, but are not limited to, the following items:

1. Attendees scheduled for upcoming meeting.
2. Progress of each task and/or activity, as applicable for that period of time.
3. Topics of general discussion.
4. Action items and decisions made at the previous weekly meeting.
5. Problem(s) encountered, resolution(s) proposed for each problem, projected completion date of problem resolution(s), current and/or actual status of problem resolution(s), and CDHS and Contractor contact person(s) and phone number(s).
6. Planned activities for the next two (2) reporting periods.

7. Status of contractually required deliverables, milestones, and walkthroughs scheduled in the TWP.
 8. A list of all deliverables, milestones, and CDHS approvals that are behind schedule.
 9. Verification by the Quality Assurance Unit that the Takeover tasks are completed within the required time frames and in accordance with Contract provisions as stated in Exhibit A, Attachment II, Operations. Deliverables of non-compliance shall be specifically noted, Problem Statements (PSs) submitted and Corrective Action Plans (CAPs) for resolutions shall be submitted as part of the reports and in compliance with Exhibit A, Attachment II, Section 5, Problem Correction Process.
 10. A list of missing files and/or processes that should have been transferred from the prior contractor as part of its Turnover activities and an adjunct list of inaccurate files and/or programs transferred from the prior contractor as part of its Turnover activities.
 11. Any other information deemed necessary by the Contractor or required by the CDHS.
- C. Weekly Deliverable Status (WDS) Report, in the form of a Gantt (or equivalent) chart, in a format agreed upon by both parties prior to submission that shall include the status of deliverables, milestones, walkthroughs and CDHS approvals. The WDS shall be used by the Contractor and the CDHS, in determining the Contractor's progress during Takeover, for tracking the status of Takeover deliverables and to assist the CDHS in determining whether Takeover invoices should be paid.

The WDS Report shall be furnished to the CDHS, two (2) business days before each weekly progress meeting, and shall be current at the time of submittal. The Contractor and CDHS shall agree on the format to be used. In addition to the media format agreed upon, each weekly submittal shall include 10 (ten) hard copies of each report.

The WDS Report shall meet the following requirements:

Two (2) versions of the report shall be submitted to CDHS. One (1) report shall use the 'WBS Number' as the sort key, and the second (2nd) report shall use 'Original Due Date' as its sort key.

1. The report shall include the following items:
 - a. WBS Number - The number that the Contractor has assigned to the deliverable and/or activity required in the TWP.
 - b. Description - Brief description of the deliverable and/or activity.

- c. Date Delivered - The actual date that the deliverable was submitted to the CDHS for review and approval.
 - d. Original Due Date - Initially, this shall be the due date originally submitted in the Contractor's TWP. Subsequent submittals shall provide the updated or most recently CDHS-approved assigned due date.
 - e. Days Early and/or Late - The number of days the deliverable was submitted either late (- days) or early (+ days).
 - f. Date Approved, Disapproved, Pending, or Conditionally Approved - The date CDHS either: Approved (A), Disapproved (D), Pending (P), or Conditionally Approved (C) the deliverable.
 - g. Resubmission Due Date - If disapproved, pending or conditionally approved, this field shall reflect the new due date set by CDHS. There will be as many entries in this column as disapprovals, pending, or conditional approvals provided by the CDHS.
 - h. Date Resubmitted – The date resubmitted to the CDHS for review.
 - i. Date Approved, Disapproved, Pending, or Conditionally Approved - The date the CDHS approves, disapproves, pending, or conditionally approves the resubmitted deliverable.
 - j. Remarks – Free-form comments space allowing up to seventy (70) characters.
- D. A Weekly Deliverable Exception (WDE) Report. This report, in the form of a Gantt (or equivalent) chart, shall extract those deliverables, milestones, walkthroughs, and the CDHS approvals from the WDS Report that are past due.

1.6.3 TAKEOVER MANAGEMENT TEAM

At CED, the Contractor shall:

- A. Employ a Takeover Management Team to lead the Contractor's Takeover activities.
- B. Submit to the CDHS for review and approval the names and resumes of each Takeover Management Team member.
- C. Designate one (1) individual as the Takeover Manager. The Takeover Manager shall be responsible for ensuring that all Takeover requirements are met, and shall serve as the Contractor's liaison to CDHS for the entire Takeover Project. CDHS reserves the right to review and approve the appointment of the Takeover Manager and Takeover Management Team, as well as to instruct the Contractor to make changes in the Takeover Manager position and/or Takeover Management Team anytime during Takeover.

1.7 PERSONNEL ACQUISITION PLAN AND ORGANIZATIONAL STRUCTURE CHART

The Contractor shall, two (2) weeks after CED and monthly thereafter throughout the term of the Contract, update the Personnel Acquisition Plan and Organizational Structure Chart presented in the Narrative Proposal. Provide updates to the Personnel Acquisition Plan and Organizational Structure Chart if changes are proposed to the organizational structure during Takeover. These updates shall be submitted to the CDHS five (5) business days prior to such proposed change(s). All changes shall be subject to the CDHS approval prior to implementation.

1.7.1 PERSONNEL ACQUISITION PLAN

The Contractor shall describe the method of recruitment and selection of staff to assume full operation of the HCO Program. In addition to a narrative discussion, the Personnel Acquisition Plan shall include a Staff Loading Chart and a Gantt (or equivalent) chart showing the proposed hiring schedule. The Personnel Acquisition Plan shall specifically include the following information:

- A. A Contractor Resources Level Report, which is a chart showing the number of staff to report to work on this Contract by month and classification. This report is due at Assumption of Operations, and as required in Exhibit E, Additional Provisions, Section 21.
- B. The Hiring Progress Report, which is a proposed hiring schedule, to include the method of hiring staff, including sources of recruitment and numbers employed, by functional area.
- C. An explanation, including specific actions to be taken, of how the Contractor shall ensure that experienced and trained personnel in sufficient numbers are available to support all Takeover tasks and begin full HCO Operations without interruption of service to applicants, beneficiaries, health plans, and the CDHS.
- D. A description of alternative actions, or contingency plans if the Contractor is unable to recruit sufficient numbers of adequately trained staff for each functional or operational area on a timely basis.
- E. A plan for hiring all specialized trained and/or experienced staff, as prescribed throughout the Contract, for such areas as the Telephone Call Center, Presentation Sites, and other critical operational activities. The plan shall provide for hiring staff during Takeover within the time frames required in this Contract.

1.7.1.1 HIRING PROGRESS REPORT

The Contractor shall:

- A. Submit to the CDHS for review and approval, two (2) weeks after CED and every other week (biweekly) thereafter for the duration of the Contract, or as agreed to by the CDHS, a written Hiring Progress Report detailing the status and progress of the actual hiring of personnel as compared with the reports required in the

Personnel Acquisition Plan and Organizational Structure Chart. The report format shall be the same as the chart described in 1.7.1 B above, except that the Hiring Progress Report shall include the names of staff, as well. Names, organizational unit, positions/classifications and numbers of staff who have accepted job offers and the names, organizational unit positions/classifications and numbers of staff who have reported to begin work on the HCO Program shall be reported. Also, this report shall include the names, organizational unit, positions/classifications and numbers of staff who have resigned or were terminated. The first submittal of the Hiring Progress Report shall be subject to review and approval for format and content by CDHS. Following the CDHS approval of the initial submittal for format and content, subsequent reports shall conform to this approved model.

- B. Ensure at Takeover completion that the revised and CDHS-approved final version of the Hiring Progress Report is the official document to be used during HCO Operations, as required in Exhibit E, Additional Provisions, Section 21. No changes shall be made without prior written approval by CDHS. The Contractor shall submit the Hiring Progress Report to CDHS by the fifth (5th) business day of each month, as an ongoing Contract deliverable throughout the term of the Contract, as required in Exhibit E, Additional Provisions, Section 21.

1.7.1.2 PERSONNEL HIRING COMMITMENTS

In those cases where the Contractor is required to have a position(s) filled and a hiring commitment has been made to fill the position(s) with prior contractor's staff member(s), CDHS shall work with the prior contractor to establish a transfer date. If necessary, upon written request by the Contractor and written approval by CDHS, CDHS may consider a waiver of the hiring dates required in the Contract on a case-by-case basis.

1.7.2 ORGANIZATIONAL STRUCTURE CHART

The Contractor shall provide:

- A. A complete and detailed description of the organizational structure to be used by the Contractor during Takeover and Operations phases.
- B. The total staffing levels by classification, for each phase and each organizational unit and function. The Takeover staffing levels submitted shall correspond to the staffing needs indicated by the Contractor in the TWP. If the staffing levels needed for Takeover vary throughout the Takeover phase, variable levels shall be indicated through a written narrative description, Gantt (or equivalent) chart and Staff Loading Chart, which identify staffing by Takeover task. Additionally, the Organizational Structure Chart provisions of this plan shall include the following:
 - 1. Organization charts and descriptions showing the location of the HCO Contract within the Contractor's overall corporate structure and organization charts and descriptions for all HCO Program operational areas.

2. The functional responsibilities of each organizational unit, the delegation of responsibilities to HCO Program organizational units, organizational decision-making points, and unit staffing by classification.
3. Complete job descriptions (specifications) for all classifications used within the organization, including job titles, function responsibilities, and educational/experience requirements.

1.8 ASSUMPTION OF OPERATIONS PLAN

One (1) month following CED the Contractor shall submit to CDHS for review and approval its plan for Assumption of Operations.

The Contractor shall:

- A. Address specific Takeover requirements and provide detailed, step-by-step procedures for each specific Takeover activity to demonstrate how the Contractor proposes to successfully assume complete and full operation of the current HCO Operations.
- B. Provide narrative descriptions, supporting documentation and detailed procedures for each activity, an implementation schedule for all areas of HCO Operations, and a Gantt (or equivalent) chart to describe the Contractor's overall plan for starting and completing each task and activity associated with the Assumption of Operations process.
- C. Describe the activities identified in the Assumption of Operations Plan under each of the following Assumption of Operations tasks. Quality Assurance procedures are required on all tasks below:
 1. Staff needed to fulfill Contract requirements, and contingency plans if the Contractor is unable to fulfill Contract staffing requirements.

The Contractor shall develop and submit for CDHS approval staffing levels, then implement hiring of staff and utilize contingency plans, if necessary upon written CDHS approval, for all HCO Operations. The contingency plans shall describe the actions the Contractor will take if it is unable to meet contractual staffing requirements.

2. Transfer of all Telephone Call Center toll-free telephone numbers.
3. Education and outreach activities:
 - a. Negotiating new, and/or assuming current Presentation Site agreements; and,
 - b. Assessing and arranging for all Presentation Sites to be fully operational, including availability of HCO informing materials, as well as furniture, telephones and other equipment as needed.

4. Assumption of processing of applicant, beneficiary and other interested parties' inquiries and grievances.
5. All HCO enrollment processes, to include testing of all processes whether automated or not:

The Contractor shall develop and submit for CDHS approval the plan for processing all HCO enrollment forms, including, but not limited to, Choice Forms and all other remaining enrollment forms, not processed by the prior contractor due to transition of the Contract.

6. Two-way information sharing and maintenance of the Medi-Cal Eligibility Data System (MEDS) maintained by CDHS Information Technology Services Division (ITSD):
 - a. Testing of two-way sharing of eligibility information with the California Department of Health Services, ITSD;
 - b. Exchanging processing information and information with the prior contractor;
 - c. For testing purposes, uniquely identifying Contractor versus prior contractor file information for reporting purposes; and,
 - d. Producing accurate documentation for reports.
7. Communication processes with health plans, Fiscal Intermediaries, and CDHS staff:
 - a. Establish retrieval and/or information sharing method(s) and protocols for information receipt or exchange of information; and,
 - b. Testing of retrieval and information sharing.
8. Assumption of Mailing Functions.
9. Assumption of Fulfillment Functions.
10. Implementing Quality Management responsibilities.
11. Implement Problem Correction Process.
12. Producing required reports.
13. Implementing Records Retention responsibilities.
14. Implementing Security and Confidentiality responsibilities.
15. Implementing Disaster Prevention and Recovery/Business Continuity responsibilities.

16. Transfer of existing records and history files, and transfer and utilization of current inventory (e.g., CDHS-owned/leased computers and related CDHS equipment, furniture, telephones, HCO informing materials, etc.).
17. Transfer of all Post Office box(es) and postage accounts from the prior contractor at the end of the prior contractor's Operations period.
18. Update Conflict of Interest Statements, Questionnaires and Avoidance Plan.

1.9 FACILITIES

1.9.1 FACILITIES ACQUISITION AND INSTALLATION PLAN

The Contractor shall submit an updated and more detailed Facilities Acquisition and Installation Plan to CDHS for review and approval three (3) weeks after CED, which details the planned usage of space for the Contractor's manual and automated HCO Operations activities related to the enrollment process, provision of space for CDHS on-site staff during both Takeover and on-going HCO Operations, and provision of space for all equipment and informing materials. The Contractor shall maintain an ongoing inventory of all cost-reimbursed CDHS-owned equipment referred to in this section, including property used in Contractor's facilities. The Contractor shall develop and maintain an ongoing inventory of all CDHS-owned equipment, intended for Contractor use, acquired through the Takeover phase of this Contract or purchased through cost reimbursement.

The Facilities Acquisition and Installation Plan shall include narrative descriptions, supporting documentation, installation schedule and a Gantt (or equivalent) chart detailing the installation schedule. The plan shall provide information that includes, but is not limited to:

- A. The location of the Contractor's main operating facility. This Contract requires that the Contractor's main operating facility, temporary as well as permanent, be located within a thirty (30)-mile radius (as determined by freeway access) of the State of California Capitol Building in Sacramento.
- B. The extent to which the Contractor's main operating facility is currently under lease or ownership and/or planned to be leased or bought. If the facility is not currently under lease or ownership, the Contractor shall, at a minimum, provide a guaranteed lease option on the facility including the name, address, and telephone number of the leasing or selling agent for contact by CDHS.
- C. A description of the facility(ies) it currently has in the Sacramento area for use in HCO Operations, if any, and what facility space, and for what functions, it must obtain and/or finalize development. A temporary main operating facility shall be obtained by the Contractor, if necessary, and be available for occupancy by CDHS Takeover and Acceptance Testing staff and Contractor staff two (2) weeks after the CED. Any change in main operating facility location from that which the Contractor specified in its Narrative Proposal shall be subject to prior written approval by CDHS.

- D. A description of the modifications that must be made to the permanent and temporary, if utilized, main operating facility, a schedule for completing those modifications, and the actions taken by the Contractor to ensure that this schedule is met. This description shall address at a minimum:
 - 1. Installation of anything that is in addition to standard office space.
 - 2. Installation of telecommunications (both data and voice) lines.
 - 3. Installation of necessary modifications needed to meet Americans with Disabilities Act (ADA) requirements.
 - 4. Installation of necessary special flooring.
 - 5. Installation of special electrical equipment.
 - 6. Installation of computer air conditioning and cooling systems.
 - 7. Installation of special fire systems that will not damage electronic equipment.
 - 8. Major facility installation milestones.
- E. A certification that the Contractor has verified that electrical, telecommunications, and telephone service can be provided to the Contractor's main operating facility and on-site CDHS offices in order to adequately support HCO Operations.
- F. The interdependencies with other Takeover tasks and contingencies for problems and delays. The Contractor shall describe how it will utilize space to support Takeover activities including any temporary space needed for Contractor and CDHS staff and how required space will be handled for each Takeover task.
- G. Allocated space by function, including CDHS space.
- H. List of Contractor staff accessibility, by name and job title, to CDHS space..
- I. Access to telephone, and electrical power and network connection.
- J. A certification that the Contractor has verified and approved the inventory list of all cost-reimbursed CDHS-owned equipment provided for use during the Contract by the prior contractor during Takeover. The inventory referred to in this section includes, but is not limited to, property used in the Contractor's facilities. The certification of the inventory list shall be due at a date determined by the CDHS. The Contractor shall accept the transfer of the items on the inventory list at a date determined by the CDHS and the Contractor.
- K. A description of available parking, including CDHS (management and staff), Contractor (management and staff), visitor and disabled reserved parking spaces.

1.9.2 SET-UP

1. Utilizing the Facilities Acquisition and Installation Plan, if necessary, a temporary main operating facility shall be obtained by the Contractor until the permanent main operating facility is installed. The facility, whether permanent or temporary, shall be available for occupancy by CDHS Takeover and Acceptance Testing staff and Contractor staff two (2) weeks after the CED. The Contractor shall comply with all requirements as defined in the provision of HCO Operations for up to forty (40) permanent CDHS staff and temporary space available for ten (10) CDHS Takeover and Process Acceptance Testing staff.

A. Temporary Main Operating Facility

1. The temporary main operating facility, with sufficient space to perform Takeover activities, including all planning and testing responsibilities, is to be located within a thirty (30)-mile radius (as determined by freeway access) of the State of California Capitol Building in Sacramento. Subcontractors are not subject to the thirty (30)-mile radius requirement.

B. Permanent Main Operating Facility

1. The Contractor shall obtain a permanent facility, with sufficient space to perform all Takeover activities including all planning and testing responsibilities and activities, within a thirty (30)-mile radius (as determined by freeway access) of the State of California Capitol Building in Sacramento to perform HCO Operations. Subcontractors are not subject to the thirty (30)-mile radius requirement.
2. The permanent facility, including all CDHS space, shall be completely operable two (2) weeks prior to Assumption of Operations.
3. CDHS staff shall be able to move into the Contractor's permanent main operating facility at the same time as the Contractor's staff.

1.10 CUSTOMER SERVICE

1.10.1 CUSTOMER SERVICE PLAN

The Contractor shall submit to CDHS for review and approval a Customer Service Plan two (2) weeks after CED. This plan shall:

- A. Include narrative descriptions, detailed procedures, an implementation schedule, and a Gantt (or equivalent) chart demonstrating how Contractor shall prepare during Takeover to meet the HCO Operations responsibilities of customer assistance;
- B. Describe, in detail, the Contractor's procedures, tasks, activities, space and facilities plan, and staffing for all Customer Services functions, to ensure Contractor compliance with all Contract requirements; and

- C. Identify anticipated problems (including staffing), and include a contingency plan for each identified problem. The Contractor shall follow the contingency plan(s) in the event staffing during Takeover proves inadequate for the Contractor to meet all of its contractual requirements.

1.10.2 SET-UP CUSTOMER SERVICE FUNCTIONS

Utilizing the Customer Service Plan, the Contractor shall:

- A. Ensure all customer service functions (including telephone assistance, Presentations Sites, and research assistance) are adequately staffed at the Assumption of Operations to meet all contractual requirements.
- B. Ensure all necessary telecommunication systems, equipment, TCC toll-free telephone line(s), Integrated Voice Response process, Beneficiary Interaction Tracking process, Integrated Predictive Dialer System and Integrated Call Tracking Information process are installed, tested and fully operational one (1) month prior to Assumption of Operations.
- C. Develop processes and documentation for answering applicant, beneficiary, and other interested party inquiries, including after hours telephone call messages, and handling beneficiary grievances and/or complaints by the Assumption of Operations.

1.10.3 TELEPHONE CALL CENTER

1.10.3.1 CALLER SATISFACTION EVALUATION TOOL

The Caller Satisfaction Evaluation tool used to assess applicant, beneficiary and other interested parties' satisfaction with assistance provided to them with enrollment issues and questions through the TCC shall be submitted to the CDHS for written approval one (1) month prior to Assumption of Operations. The Contractor shall develop this tool in conjunction with the CDHS.

1.10.4. ENROLLMENT SERVICE REPRESENTATIVE PRESENTATIONS

1.10.4.1 PRESENTATION SITE SPACE AND STAFFING PLAN

Three (3) months prior to Assumption of Operations, the Contractor shall submit for State review and approval a Presentation Site Space and Staffing Plan specifically designed to meet the goal of securing sites that are likely to produce the highest attendance rates for all cultural and linguistic groups and Medi-Cal applicant/beneficiaries. This plan shall provide for the following:

- 1. An analysis of the distribution of Medi-Cal applicants/beneficiaries, by threshold language, in each managed care county. This analysis shall be at the zip code level, unless the Contractor is able to achieve even finer resolution. This analysis shall be performed using a geographic information system (GIS) application, unless the Contractor can propose (and the State approves) the use of another application.

2. Presentation Site specifications:
 1. Minimum space requirements.
 2. Access.
 3. Availability of public transportation.
 4. Parking.
 5. Safety.
 6. Furniture and equipment needs, including telephones and secure storage.
 7. Proximity to concentrations of Medi-Cal applicants/beneficiaries.
 8. Potential of local labor market to supply ESRs with the requisite skills (including threshold language fluency).
 9. Other specifications deemed necessary by the Contractor and/or the State.
 10. Confidential location within site for interactions with beneficiaries.
3. A strategy for contacting, forming alliances with, and working with advocacy groups, CBOs, County DPSS and Medi-Cal Managed Care staff to secure Presentation Sites, and to develop other opportunities for informing and educating applicants/beneficiaries.
4. The Contractor has a responsibility to maintain cooperative relationships with County Social Services Administrations and specific social services sites within those counties. The Contractor shall develop strategies and form agreements to maximize the number of referrals to ESRs, thereby achieving the ultimate goal of mandatory attendance at an informing presentation and completion of the Choice Form.
5. The drafting of a template Memorandum of Understanding (MOU) between the Contractor and the entities who donate space to the Contractor to use as Presentation Sites. This MOU shall thoroughly describe all aspects of the use agreement between the two parties (access arrangements, use of furniture and office equipment, liability, etc.).
6. A site staffing plan, based on the results of the required beneficiary distribution analysis described above. This plan shall estimate:
 - a. The number of applicants and eligibles likely to use the site. Unless the State approves an alternative estimation procedure, this shall be based upon an estimate of the size of the typical site service area. If the Contractor determines, for example, that a typical site in an urban area

will service beneficiaries within a twenty (20) mile radius of the site, the Contractor will estimate the number of beneficiaries who reside within a twenty (20) mile radius of the site in question. This estimate shall group the beneficiary estimate by threshold language.

- b. The expected number of presentations and customer service sessions to be held per month at the site. A customer service session is a meeting with a beneficiary in which a full presentation is not provided. These are usually held in order to answer specific beneficiary questions, or to help a beneficiary who already knows their plan choice to complete an enrollment form. Unless the State approves an alternative estimation procedure, the presentation/customer service estimate shall be based upon an estimate of the number of presentations a given population of beneficiaries typically generates. If the Contractor determines, for example, that ten (10) presentations per month are generated for each one-thousand (1,000) beneficiaries, that ratio would be applied to the beneficiary population in the site's service area. This estimate shall group the presentation estimate by presentation threshold language (the threshold language in which presentations must be given).
 - c. The estimated number of ESR and ESR supervisors necessary to meet the estimated demand for presentations and customer service sessions. This estimate shall take into consideration all opportunities and necessities for sharing ESRs among presentation sites.
- 7. Staffing levels at each presentation site shall be sufficient to meet the demand for presentations and customer service sessions, or to meet the State's ESR Full Time Employee (FTE) limit, if one has been established. Unless the State has placed a limit on the number of FTEs allowable in a given area, no requests for presentations shall go unfulfilled.
 - 8. Other considerations deemed necessary or relevant by the Contractor or the State.

1.10.4.2 MATERIALS

Presentation materials, including but not limited to, procedures and forms used to enable County DPSS and CBO staff referrals and all necessary resources for effective presentations shall be submitted to the CDHS for written approval one (1) month prior to Assumption of Operations.

1.10.4.3 STAFFING LEVELS

The Presentation staffing levels, including ESR permissible under the bid rates of this Contract range from seventy (70) to one hundred thirty (130) full time equivalents (FTEs).

The ESR staffing levels in effect at the beginning of the Contract term will:

- A. Be established by the CDHS two (2) months after the Contract Effective Date.

- B. Specify the required percentages of bilingual ESR, by threshold language; and
- C. Be reviewed periodically throughout the life of the Contract.

1.10.4.4 SUPERVISION

The ratio of FTE ESR supervisors to FTE ESR positions shall be no less than 1:8 (eight ESR FTEs to every one ESR supervisor). The Contractor shall, at a minimum, employ one (1) State-wide Field Operations Manager, one (1) Regional Manager in Northern California, one (1) Regional Manager in Central California and one (1) Regional Manager in Southern California.

1.10.4.5 OBSERVATION/EVALUATION TOOL

The Observation/Evaluation tool used to perform this activity shall be submitted to the CDHS for written approval one (1) month prior to Assumption of Operations.

- A. The CDHS-approved tool shall include, but not be limited to:
 - 1. Presentation/public speaking skill;
 - 2. Knowledge of the Medi-Cal managed care and the HCO Program;
 - 3. Ability to communicate in the culture and language of the attendee; and
 - 4. Presentation content and delivery, including audience appropriateness of the presentation.

1.10.4.6 ATTENDEE FEEDBACK EVALUATION TOOL

The Attendee Feedback Evaluation tool used to assess applicant/beneficiary satisfaction with each HCO presentation shall be submitted to the CDHS for written approval one (1) month prior to Assumption of Operations. The Contractor shall develop this tool in conjunction with the CDHS.

1.10.4.7 ATTENDANCE RECORDS

The final format for attendance records to be used for collecting data and the methods used to report such shall be submitted to the CDHS one (1) month prior to Assumption of Operations. The Contractor shall develop this tool in conjunction with the CDHS.

1.10.5 RESEARCH SATISFACTION EVALUATION TOOL

The Research Satisfaction Evaluation tool used to assess applicant, beneficiary and other interested parties' satisfaction with assistance provided them with their issues and concerns through the Research process shall be submitted to the CDHS for written approval one (1) month prior to Assumption of Operations. The Contractor shall develop this tool in conjunction with the CDHS.

1.10.6 CUSTOMER SERVICE PORTAL

The Customer Service Portal shall be developed and submitted to the CDHS three (3) months prior to Assumption of Operations. Upon CDHS written approval, the Portal shall be fully operational one (1) month prior to Assumption of Operations.

1.10.7 PROVIDER INFORMATION NETWORK

The Provider Information Network (PIN) shall be developed and submitted to the CDHS three (3) months prior to Assumption of Operations. Upon CDHS written approval, the PIN shall be fully operational one (1) month prior to Assumption of Operations.

1.11 INFORMING MATERIALS

1.11.1 MATERIALS DEVELOPMENT AND PRODUCTION, AND MAILING FUNCTIONS PLAN

The Contractor shall submit to CDHS for review and approval a Materials Development and Production, and Mailing Functions Plan three (3) weeks after CED. The plan shall:

- A. Include narrative descriptions, detailed procedures, an implementation schedule, and a Gantt (or equivalent) chart demonstrating how Takeover responsibilities for materials development, production and mailing functions shall be performed;
- B. Describe, in detail, the Contractor's procedures, tasks, activities, space and facilities plan, and staffing for all materials development and production, and mailing functions, to ensure Contractor and/or subcontractors' compliance with Contract requirements; and
- C. Identify anticipated problems (including staffing), and include a CDHS approved contingency plan for each identified problem. The Contractor shall follow the contingency plan(s) in the event staffing during Takeover proves inadequate for the Contractor and/or subcontractors to meet all of its contractual requirements.

1.11.2 DEVELOP AND PRODUCE, AND MAIL INFORMING MATERIALS

Develop and implement a Materials Development and Production, and Mailing Functions Plan for use by the CDHS, Contractor and the Mailing fulfillment staff (if different than the Contractor). The Plan shall include a proposal for a materials development and production, and mailing operations functions that shall meet all of the requirements appearing in the Exhibit A, Attachment II, Section 2, Informing Materials. The mailing operation plan proposal shall include, but not be limited to, a mailing operations description, an inventory and inventory control process, and a detailed staffing and management plan, which includes quality control and support staff. This proposal shall be comprehensive, covering all mailing operation processes and supporting functions, and all staff and management positions

associated with the mailing operation requirements in Exhibit A, Attachment II, Section 2 Informing Materials, the Contractor shall:

- A. Be fully staffed and operational three (3) months prior to the Assumption of Operations. Fully operational is defined as being able to meet all Takeover requirements, as well as the requirements in Exhibit A, Attachment II, Scope of Work, of this Contract.
- B. Demonstrate the ability to develop and produce, and mail all HCO informing materials at least two (2) months prior to Assumption of Operations.
- C. Have a sufficient supply of all HCO informing materials, as required in Exhibit A, Attachment II, Section 2, Informing Materials, to perform all HCO Operations no later than one (1) month prior to Assumption of Operations.
- D. Have the ability to store and manage inventory, dispose of returned and obsolete materials, and perform timely retrieval of all informing materials that are periodically mailed to beneficiaries as a part of the HCO Program.

1.11.3 MEDI-CAL PUBLICATIONS

- A. The Contractor shall submit to CDHS for review and approval a Medi-Cal Publications Plan three (3) months before Assumption of Operations. The plan shall:
 - 1. Include narrative descriptions, detailed procedures, and an implementation schedule demonstrating how Takeover responsibilities for materials development, production and mailing functions shall be performed; and
 - 2. Describe, in detail, the Contractor's procedures, tasks, activities, space and facilities plan, and staffing for all operations required in Exhibit A, Attachment II, Section 2.9, Informing Materials, Medi-Cal Publications, to ensure Contractor and/or subcontractors' compliance with Contract requirements.
- B. The Contractor shall, two (2) weeks before Assumption of Operations:
 - 1. Be fully staffed and operational. Fully operational is defined as being able to meet these Takeover requirements, as well as the requirements in Exhibit A, Attachment II, Section 2.9, Medi-Cal Publications, of this Contract.
 - 2. Demonstrate the ability to receive and fulfill orders for Medi-Cal Publications, as directed by the CDHS, and to perform all other required activities regarding Medi-Cal Publications.
 - 3. Take possession of master copies of existing publications from CDHS. CDHS shall retain authority to designate the manner and method by which master copies shall be transferred.
 - 4. Accept delivery and assume physical control of the existing inventory of selected Medi-Cal Publications from CDHS.

1.12 ENROLLMENT/DISENROLLMENT PROCESS

The requirements in this subsection are required if either a manual or an automated system is proposed and accepted as part of the Contract.

1.12.1 ENROLLMENT/DISENROLLMENT PROCESSING COMPLIANCE PLAN

Two (2) weeks after CED, the Contractor shall submit for written CDHS approval an Enrollment/Disenrollment Processing Compliance Plan for bringing the Enrollment/Disenrollment Processing functions into full compliance with the standards and requirements in Exhibit A, Attachment II, Section 3, Enrollment/Disenrollment Processing.

1.12.2 ENROLLMENT/DISENROLLMENT PROCESSING PROCEDURES AND PROCESS GROUP ORGANIZATION MANUAL

The Contractor shall submit for CDHS review and approval the Enrollment/Disenrollment Processing Procedures and Process Group (PG) Manual three (3) months prior to Assumption of Operations. This manual shall be submitted with the requirements as stated in Exhibit A, Attachment II, Section 3, Enrollment/Disenrollment Processing.

1.12.3 COMMUNICATION LINKS

The Contractor shall establish and maintain the appropriate links, as required in Exhibit A, Attachment II, Section 3, Enrollment/Disenrollment Processing, two (2) months prior to Assumption of Operations.

1.12.4 INFORMATION DICTIONARY USERS GUIDE

The Contractor shall submit to CDHS for review and approval prior to Acceptance Testing the Information Dictionary Users Guide. The Users Guide shall describe, at a minimum, the following:

- A. The operation and capabilities of the Information Dictionary.
- B. Information available to users of the Information Dictionary and how users access and retrieve this information.
- C. Examples and explanations of screens encountered by users.
- D. Information regarding additional assistance available from the Contractor to users during online sessions.
- E. Glossary and a brief explanation of all commands.
- F. Interaction of the Information Dictionary with the rest of Enrollment/Disenrollment Processing.

The Information Dictionary Users Guide shall completely describe the Contractor's practices and procedures in updating and maintaining the Information Dictionary, as required in Exhibit A, Attachment II, Section 3, Enrollment/Disenrollment Processing.

1.12.5 INFORMATION FILES

Prepare and submit to the CDHS for approval, during Takeover, all necessary data files. All data files must be updated with the most current data.

1.12.5.1 INFORMATION FILE LAYOUT DESCRIPTIONS MANUAL

The Contractor shall submit one (1) week after CED an Information File Layout Descriptions Manual. The manual shall include a narrative of the information file including the purpose, function, and processing intent. A brief narrative describing each record type and a schematic of all record types shall be included.

1.12.5.2 INFORMATION FILE INSTALLATION PLAN

The Contractor shall submit an Information File Installation Plan to CDHS for review and approval three (3) weeks after CED. The plan shall, at a minimum, describe:

- A. Installation dates for each file.
- B. Availability of working tools to enable installation.
- C. Storage media for files.
- D. Interdependencies with other Takeover tasks and contingencies for problems or delays. This shall include the files needed to support each Takeover task, including Process Testing, Acceptance Testing and the various components of the HCO Operations.
- E. Procedures for installation of files, including file changes and considerations for files with additional history during Takeover.
- F. Procedures for creating files for transmittal to CDHS and other entities.

1.12.5.3 INSTALLATION OF FILES

Testing files will be made available to the Contractor for testing prior to the required installation date. Communication protocols, configurations, communication tools, etc., shall be determined by CDHS during Takeover. Utilizing the Information File Installation Plan, the Contractor shall:

- A. Accept, install, and utilize CDHS supplied files or production files for Acceptance Testing.
- B. Install all files necessary to assume HCO Operations and processes, no later than three (3) business days after receipt of same by the Contractor.

C. Install and update the following specific files which require special consideration prior to the startup of HCO Operations processing functions.

1. Accept MEDS transactions one (1) month prior to Assumption of Operations.
2. Accept and install the history files from the prior contractor prior to the Assumption of Operations, as well as receive and process weekly updates from the prior contractor until the end of the prior contract.
3. Maintain its own history files beginning with Assumption of Operations.
4. Accept and install all information files and records of all enrollments and disenrollments authorized by the prior contractor, immediately prior to Assumption of Operations, and utilize this file for editing new enrollment and disenrollment requests to avoid duplicates after Assumption of Operations.

For all of the above files, the Contractor shall submit appropriate reports to CDHS in compliance with the requirements of Exhibit A, Attachment II, Section 6, Reports.

1.12.5.4 FILES DURING ASSUMPTION OF OPERATIONS

Various files, as described in the Exhibit A, Attachment II, Section 3, Enrollment/Disenrollment Processing, shall be transferred from the prior contractor for use in this Contract. Installation of these files shall occur within three (3) business days after receipt by the Contractor. The Contractor shall:

- A. Update or merge newly transferred files with prior files that the Contractor has already installed and has been maintaining.
- B. Process any residual enrollments, disenrollments and exception to plan enrollment request forms transferred at the end of the prior contractor's contract.
- C. Accept and install all files that CDHS may designate as part of the responsibilities of the assumption of the residual inventories from the prior contractor.
- D. Transfer and maintain all weekly, monthly, and yearly history files in order to maintain complete records and have the files readily accessible to re-create history.

1.12.6 PROCESS TESTING

1.12.6.1 PROCESS TESTING PLAN

The Process Testing Plan shall be updated and submitted for CDHS review and approval one (1) month after the CED and shall describe the method(s) of testing all segments of the HCO Operations as well as scheduled testing dates. Process testing of the HCO Operations shall progressively test each program as well as the collective processes integrating all parts of the process.

The Contractor's Process Testing Plan shall:

- A. Clearly define, uniquely identify, and independently schedule each testing to be performed.
- B. Define Process Testing documentation standards and provide for inclusion of initial and subsequent testing results and storage of all testing documentation in a central location in a manner easily accessible and retrievable by CDHS monitoring staff.
- C. Relate testing to the Enrollment/Disenrollment Processing design documentation and overall Contract requirements.
- D. Review administrative support and operating procedures with direct links to the Enrollment/Disenrollment Processing. Validate Quality Management Process procedures for setting accuracy and error levels and for monitoring compliance.
- E. Define the methodologies and procedures for identifying and tracking areas of unacceptable performance and the Corrective Action Process(es) (CAP) applied to deficiencies. These methodologies and procedures shall include steps for CDHS review and approval during the problem identification/tracking and CAP, and provisions for daily written notification to CDHS when problems are identified.
- F. Identify the number, classification, and names of key staff responsible for each testing, including Contractor staff responsible for communication with CDHS during Process Testing;
- G. Include actual testing scenarios along with expected results.
- H. Specify the criteria the Contractor shall use in determining the completion of each Process Testing activity.

1.12.6.2 PROCESS TESTING

The Contractor, with the participation of CDHS staff, shall execute the Process Testing Plan, make corrections, and keep CDHS informed on the status of all tasks and activities identified in the plan. The Contractor shall provide office space for up to six (6) CDHS staff during Process Testing (see Exhibit E, Additional Provisions and Exhibit A, Attachment II, Section 3, Enrollment/Disenrollment Processing).

The Contractor shall:

- A. Prepare for process testing activities, including but not limited to:
 - 1. Create testing files with predetermined sets of information to ensure proper testing of all testing scenarios.
 - 2. Install process tools.
 - 3. Prepare and install the Enrollment/Disenrollment Processing and supporting processes.

- B. Test all aspects of the HCO Operations, to include but not limited to:
 - 1. Validating all process programs to conform to specifications, Contract requirements and Exhibit A, Attachment II, Section 3, Enrollment/Disenrollment Processing.
 - 2. Validating that processing cycle times meet CDHS requirements.
 - 3. Testing process performance and process capacity.
 - 4. Verifying that response times meet CDHS requirements.
 - 5. Executing steps of the Enrollment/Disenrollment Processing to verify operating procedures and Contract requirements.
 - 6. Testing all Enrollment/Disenrollment Processing reports and output.
- C. Develop and conduct parallel testing of HCO Operations and Enrollment/Disenrollment Processing processing functions that parallel the prior contractor's processing functions. Testing shall be conducted during Process Testing and CDHS Acceptance Testing Phase of Takeover.
- D. Simulate disaster conditions and execute recovery procedures, including availability and use of the backup facility(ies) to test the Disaster Prevention and Disaster Recovery/Business Continuity Plan;
- E. Monitor and report testing results to CDHS, to include:
 - 1. Execution of all other procedures supporting the process functions. This includes, but is not limited to, input preparation, information entry, control functions, enrollment and exceptions to enrollment processing, and customer service functions.
 - 2. Conduct weekly status meetings with CDHS to discuss overall status as well as identify areas of unacceptable performance, corrective action(s) to be taken, and areas where performance is acceptable.
 - 3. Conduct walkthroughs and submit documentation showing the Contractor's results of each testing scenario. Additional documentation and related materials requested by CDHS shall be submitted no later than one (1) business day after the request.
- F. Send a written Contractor certification to CDHS prior to CDHS Acceptance Testing indicating the following:
 - 1. Certifying the preparedness to begin full HCO Operations based on the successful completion of Process Testing.
 - 2. Submit a report detailing Process Testing results to support the readiness of HCO Operations for CDHS Acceptance Testing.

- G. Completion of Process Testing is subject to CDHS review and approval. If CDHS does not approve the Process Testing results, the Contractor shall continue its Process Testing as directed by CDHS.
- H. The Contractor may continue the Process Testing after the date of the Contractor certification to CDHS of readiness for CDHS Acceptance Testing, and/or the date of written CDHS approval of Contractor completion of Process Testing. Any changes made by the Contractor shall be identified, process tested following the rules and guidelines of this section, and moved into Acceptance Testing after approved by CDHS.
- I. Using the Problem Correction Process (PCP), fully document all deficiencies found by the Contractor and/or CDHS, during and after the installation of the Enrollment/Disenrollment Processing and/or Process Testing. CDHS shall determine whether a deficiency exists and, if so, whose responsibility the deficiency is and how the deficiency is to be corrected.
 - 1. If the deficiency is determined to be CDHS responsibility:
 - a. CDHS shall determine whether the Contractor can implement the corrected change.
 - b. If it is determined that the Contractor can correct the deficiency for which CDHS is responsible, the work shall be performed by the PG and shall be billable to CDHS. The Contractor shall correct all known HCO Operations deficiencies prior to completion of Process Testing.
 - 2. If the deficiency is determined not to be CDHS responsibility, the Contractor shall perform the work to correct said deficiency and shall not invoice CDHS for the work performed.
- J. Upon completion of Process Testing, the Contractor shall accept the HCO Operations “as is” and shall be responsible thereafter for any pre-existing deficiencies.

1.12.7 ACCEPTANCE TESTING

Prior to Acceptance Testing, the Contractor shall resolve inconclusive and/or incomplete areas of Process Testing identified by CDHS. CDHS Acceptance Testing will place emphasis on the proficiency of the Contractor’s staff in performing HCO Operations including the adequacy of the Contractor’s resources to conduct all HCO Program functions. Assumption of Operations shall not be permitted until CDHS approves, in writing, completion of Acceptance Testing.

The Contractor shall execute all Acceptance Testing as directed by CDHS. Acceptance Testing of processes shall be comprehensive to accomplish the following objectives:

- A. Ensure the transferred HCO Operations and processes are in accordance with Contractual requirements and that any differences between the Contractor’s

results and the results from the existing incumbent process can be explained as a higher level of compliance with these requirements.

- B. Ensure that integrity has been maintained with regard to established standards and acceptable data processing techniques.
- C. Ensure a smooth transition of all HCO Operations at Assumption of Operations while ensuring that the transition remains transparent to health plans, beneficiaries, applicants and process users.
- D. Ensure that the Contractor's operation of the Enrollment/Disenrollment Processing functionality is ready for processing at Assumption of Operations.
- E. Identify where the HCO Operations do not conform to program policies and procedures in order to ensure correction of any process deficiencies.

1.12.7.1 ACCEPTANCE TESTING SUPPORT PLAN

The Contractor shall submit an Acceptance Testing Support Plan to CDHS for review and approval three (3) months after CED. The plan shall:

- A. Allow at least eight (8) business days for CDHS Acceptance Testing and other requirements included in CDHS plan.
- B. Describe the Acceptance Testing Support Plan that the Contractor shall provide to CDHS. For each testing described below, the Contractor resources allocated to the testing shall include staffing by organizational unit, tools and support equipment.
- C. Include a full description of how the Contractor shall perform and fulfill its back-up and recovery responsibilities in compliance with all requirements of this Contract.
- D. Define the methodologies and procedures for tracking areas of unacceptable performance and the corrective action process(es) applied to deficiencies. These methodologies and procedures shall include steps for CDHS review and approval during the problem tracking and Corrective Action Processes (CAP), and provisions for daily written notification to CDHS when problems are identified.
- E. Describe the process and schedule for conducting the final parallel testing.

1.12.7.2 ACCEPTANCE TESTING RESPONSIBILITIES

- A. The acceptance testing shall occur prior to Assumption of Operations with enough time to provide CDHS at least eight (8) business days for testing as well as to certify the results of testing and preparation of process implementation. Acceptance Testing shall follow completion of Process Testing, certification by the Contractor that the HCO Operations is ready for Acceptance Testing, and CDHS review of the Contractor's Process Testing results. The Contractor shall

continue to provide office space for six (6) on-site CDHS staff during Acceptance Testing.

- B. During Acceptance Testing, the Contractor shall conduct its second of two (2) parallel testings of the HCO Operations and Enrollment/Disenrollment Processing with the prior contractor. The results of the testing shall be submitted to CDHS for review and approval and shall serve as input to CDHS Acceptance Testing decisions on Contractor readiness to assume full operation of the HCO Operations. If either or both of the parallel testings fail to show the Contractor is capable of processing with the same results as the prior contractor or if the Contractor encounters problems, the testing(s) shall be re-run until CDHS approves in writing the results.

The Contractor shall:

- A. Review CDHS Acceptance Testing Plan as well as their plan to ensure all elements of the facility(ies), staff, tools, and other resources required for Acceptance Testing are operational and ready.
- B. Provide a separate Testing Unit to provide ongoing testing capabilities and support to CDHS, for both the period of Acceptance Testing and for the period of ongoing HCO Operations under the Contract. This Testing Unit shall include all necessary resources to support such a unit including, but not limited to, adequate tools, physical facility(ies) and knowledgeable personnel.
- C. Perform Acceptance Testing functions as directed by CDHS within the time frames established by CDHS. The Contractor shall maintain open communication with CDHS during testing, and shall provide walk-throughs to CDHS staff on specified testing, upon request.
- D. Submit to CDHS for review and approval all Acceptance Testing documentation, including files, reports and individual enrollment, disenrollment and exemption information necessary to validate testing results. These materials shall be submitted to CDHS no later than one (1) business day following testing execution. The Contractor shall submit to CDHS a list of such testing documentation each week.
- E. Respond to and correct all problems identified by CDHS as a result of the Acceptance Testing within twenty-four (24) hours of notification. The Contractor shall repeat Acceptance Testing until criteria defined by CDHS are met and satisfied;
- F. Maintain the Acceptance Testing environment to reflect those of the production environment. These Acceptance Testing files, processes/programs, etc., will be used to conduct Acceptance Testing of all process changes that occur during the HCO Operations period of this Contract.
- G. For the entire Takeover Acceptance Testing period as well as the HCO Operations period of the Contract:

1. Provide a separate testing environment for Acceptance Testing purposes.
 2. Create and maintain testing history files for Acceptance Testing purposes only.
 3. Specify migration schedule for program “fixes” from the Process Testing environment to the Acceptance Testing environment and migrate only after CDHS review and written approval.
 4. Create and maintain Acceptance Testing access to MEDS and other support files according to CDHS direction.
- H. Ensure all Acceptance Testing on all segments of the Contractor’s operation shall be performed with the same equipment to be used for full HCO Operations.
- I. Ensure that Contract staff with appropriate classifications and training to support testing shall be in place prior to the start of Acceptance Testing.
- J. Perform volume, stress and parallel testing as directed by CDHS, to demonstrate the ability to process expected HCO Program workloads accurately within prescribed time frames.
- K. Where appropriate, ensure testing shall be scheduled concurrently so that Acceptance Testing can progress more rapidly.
- L. Ensure that CDHS staff shall have access to all Enrollment/Disenrollment Processing facility(ies), equipment, tools, files, and other materials covered by this Contract, in support of any tasks related to testing.

1.12.7.3 ACCEPTANCE TESTING - CDHS RIGHTS

During Acceptance Testing, CDHS reserves the right to:

- A. Take the primary role in the evaluation of Acceptance Testing. The Contractor shall participate in the evaluation as directed by CDHS. The evaluation process will compare expected results against the actual testing results. Any problems found during testing shall be resolved as described in this Takeover Section.
- B. Reduce the scope of Acceptance Testing if the Contractor can adequately demonstrate preparedness for Assumption of Operations, or expand levels of testing where CDHS determines additional testing is needed.
- C. Continue testing and monitoring until all testing Process Variance Reports (SVRs) identified during Acceptance Testing have been resolved. The Contractor shall provide all necessary support. All deficiencies are to be corrected by the Contractor.
- D. CDHS may continue testing the system and processes after the Assumption of Operations in order to identify and ensure correction of any remaining deficiencies, or as part of CDHS ongoing monitoring of the PG testing. Upon

completion of the Takeover Acceptance Testing, the Contractor shall maintain and make those testing files available to CDHS staff for Acceptance Testing of process changes during the HCO Operations period of this Contract.

1.12.7.4 ACCEPTANCE TESTING CATEGORIES

Ensure adequate testing of all aspects of the HCO Operations and supporting processes. Acceptance Testing is split into several categories. Each main category of Acceptance Testing shall be subdivided into segments to provide for selected testing of all elements (these shall be defined in CDHS detailed Acceptance Testing Plan). The main categories and related general testing activities are described as follows:

A. Process Related Testing

1. Each functional area of the Enrollment/Disenrollment Processing described in the Scope of Work shall be thoroughly tested.
2. Each supporting process (such as the PCP) shall be thoroughly tested to ensure each process is operating as designed.

B. Operations

1. Operations include, but are not limited to: input preparation, information entry, forms processing, customer service functions, research operations, mailroom functions and all other operational areas. All processes shall be tested. Input and/or output activities and functions performed by any other Contractor organizational unit shall be included in the operations Acceptance Testing process.
2. Input preparation shall be tested from receipt of all inputs in the mailroom through sorting, batching, numbering, scanning, and controlling, to submission of information entry, to records retention and retrieval responsibilities. Outputs from information entry shall be examined.
3. Processing includes all processing of documents from receipt through completion of the transaction (such as enrollment, disenrollment or exception processing).
4. All transactions submitted to outside entities shall be tested with the appropriate organization to ensure proper delivery of information.
5. All transactions supported by the Enrollment/Disenrollment Processing shall be tested with both valid and invalid data. All forms of input information and processing cycles shall be tested to ensure that appropriate files are updated. Files, reports, and hard copy prints produced by each process shall be examined for conformity to design requirements.

1.12.7.5 SELECTED ACCEPTANCE TESTING SCENARIOS

1.12.7.5.1 ON-LINE FUNCTIONS TESTING

CDHS and Contractor staff shall enter transactions supported by the Enrollment/Disenrollment Processing information entry functions, to include, but not limited to, form entry and processing, beneficiary tracking information entry, and research processing. Transactions shall be submitted to test all variations of input. Input and output hard copy prints shall be checked, and outputs required by transactions requests shall be produced.

Assumptions:

- A. All Enrollment/Disenrollment Processing tools shall be fully installed before the start of Acceptance Testing.
- B. Key Contractor staff from each organizational unit shall be allocated for the functionality testing.
- C. Sufficient Contractor staff who meet CDHS proficiency standards shall be allocated to enable turnaround of CDHS submitted testing within the timelines defined in this Contract.
- D. Sufficient tools and other support equipment shall be allocated to ensure turnaround of the testing within the timelines defined in this Contract.

1.12.7.6 VOLUME, STRESS AND PARALLEL TESTING

- A. CDHS shall provide the Contractor with documents or files to simulate some or all of a full business day's worth of HCO Operations and HCO process production functions. The Contractor shall demonstrate the ability to process the files, from start to finish, within specified time limits.

Perform parallel testing of the process prior to the Assumption of Operations. The Contractor shall conduct parallel testing during Acceptance Testing. The results of testing shall be reviewed and approved by CDHS.

Assumptions:

- A. Key Contractor staff from each organizational unit shall be allocated for this testing.
- B. Sufficient Contractor staff who meet CDHS proficiency standards shall be available to ensure testing completion within three (3) business days. The Contractor shall be prepared to handle daily, weekly, and monthly volumes for evaluation purposes.
- C. Sufficient tools and support equipment shall be allotted to ensure turnaround for this testing within the timelines defined in this Contract.
- D. The Contractor shall install parallel Enrollment/Disenrollment Processing files to perform the parallel testing.

- E. This testing shall include all processes.
- F. This testing shall be satisfied if completed on a timely basis as agreed to in writing by the Contractor and CDHS, and CDHS evaluation shows that expected results were achieved. CDHS may repeat this testing if results are not satisfactory.
- G. The Contractor shall compare the output of each testing and determine any discrepancies that exist and the source of those discrepancies.

1.12.7.7 GENERAL ENROLLMENT/DISENROLLMENT PROCESSING ACCURACY TESTING

CDHS shall provide the Contractor with documents designed primarily to test the Enrollment/Disenrollment Processing validity of information and accuracy of deliverables for all business functions for the various HCO Operations.

Invalid information shall be used to check the accuracy of rejection and error notification routines. Valid information shall be used to ensure that transactions meeting the validation criteria result in appropriate actions.

The Contractor shall execute the accuracy testings as directed by CDHS.

Assumptions:

- A. All HCO Operations shall be fully implemented as agreed upon in project schedule.
- B. Key Contractor staff from each organizational unit shall be allocated for this series of accuracy evaluations.
- C. Sufficient Contractor staff who meet CDHS proficiency standards shall be allocated to enable turnaround of CDHS-submitted evaluations within the timelines defined in this Contract.
- D. Sufficient resources shall be allocated to ensure turnaround of the evaluations within the timelines defined in this Contract.
- E. This series of evaluations shall apply to all processes.
- F. Contractor staff shall be prepared to perform all corrections and documentation of any process deficiencies that are found, in the timeframes specified by this Contract.
- G. Any portion of the process where deficiencies were found shall be subject to retesting.
- H. This series of accuracy evaluations shall be successfully satisfied when CDHS approves of the HCO Operations accuracy.

1.12.7.8 CONTRACTOR STAFF PROFICIENCY TESTING

All HCO Program components are to be tested, including, but not limited to, file processing, TCC operations, mailroom operations, presentations, materials development, mailing operations, correspondence with beneficiaries, health plans and other interested parties, inventory operations, forms processing, quality assurance functions, problem corrections process, reports functions, record retention functions, security and confidentiality functions, and disaster prevention functions. The Contractor's staff shall demonstrate proficiency in all areas of the HCO Program process. The Contractor's staff shall demonstrate proficiency in communicating with CDHS staff in a variety of situations, per the requirements as specified in this Contract.

Assumptions:

- A. Key Contractor staff from each organizational unit shall be allocated for this testing.
- B. Sufficient Contractor staff who meet CDHS proficiency standards shall be available to ensure testing completion within three (3) business days.
- C. Sufficient resources shall be allotted to ensure turnaround for this testing within the timelines defined in this Contract.
- D. This testing shall include all processes.

1.12.7.9 SECURITY AND CONFIDENTIALITY TESTING AND DISASTER PREVENTION AND DISASTER RECOVERY/BUSINESS CONTINUITY TESTING

The Contractor shall demonstrate how the security and confidentiality requirements contained in the Security and Confidentiality Plan and Disaster Prevention and Disaster Recovery/Business Continuity Plan have been met and shall illustrate how developed procedures ensure Contract compliance. The Contractor shall visibly demonstrate, to CDHS, the existence of these factors within the Contractor's facilities.

Assumptions:

- A. The Contractor shall prepare a comprehensive checklist of factors from the Security and Confidentiality Plan and Disaster Prevention and Disaster Recovery/Business Continuity Plan.
- B. The Contractor shall provide walkthroughs to CDHS staff on all security and confidentiality factors, including but not limited to off-site storage of required documents and backup and recovery facilities.
- C. The Contractor shall provide a facility tour to demonstrate all visible security factors for CDHS staff.

- D. The Contractor shall apply and document corrective action(s) to any security and confidentiality factors CDHS determines to be inadequate.
- E. This testing shall be satisfied if completed in the timeframe as agreed to by the Contractor and CDHS, and if CDHS evaluation documents that expected results were achieved. CDHS may repeat this testing if results are not satisfactory.

1.12.7.10 ACCEPTANCE TESTING EVALUATION RESPONSE

- A. The Contractor shall submit a written response to each Process Variance Request (PVR) for CDHS review and approval, within two (2) business days of receipt. The response shall include:
 - 1. A summary analysis of the PVR.
 - 2. Programs which are affected.
 - 3. A time frame for correction and resolution of each problem. CDHS shall have final approval of the time frame allowed for correction and resolution of each problem.
- B. CDHS shall review and approve or disapprove in writing the proposed resolution as well as determine the priorities for the process corrections.
- C. All deficiencies found during Acceptance Testing shall be corrected prior to the Assumption of Operations, unless otherwise approved in writing by CDHS. CDHS shall review those deficiencies caused by the incorrect applications of policy.
- D. The Contractor shall, at CDHS option, be required to repeat specified Acceptance Testing as a result of modifications applied by the Contractor in the resolution of PVRs.

1.12.7.11 ACCEPTANCE DECISIONS

- A. Prior to the Assumption of Operations, CDHS shall use Acceptance Testing results to determine if the Contractor is ready to assume HCO Operations. Acceptance Testing and Contractor corrective actions shall continue until the Contractor is prepared to assume HCO Operations.
- B. The Contractor shall not assume HCO Operations until written CDHS approval of Contractor readiness for Assumption of Operations is provided.

1.12.8. EVALUATION OF MANUALS

The Contractor shall demonstrate that all manuals required for the HCO Operations and Enrollment/Disenrollment Processing are available, current, complete, and adequate for the Contractor's environment. CDHS shall review, evaluate and approve all procedures, training, and any other HCO Program documentation.

Assumptions:

- A. For those manuals needing development and/or revision, the Contractor shall submit to CDHS new and/or updated manuals as agreed upon in the Takeover Work Plan schedule at CED. The Contractor shall, concurrently, submit to CDHS a list of those manuals requiring no development and/or revisions.
- B. For each manual, key Contractor staff from organizational units affected by the manuals shall provide walkthroughs to CDHS staff.
- C. The Contractor shall provide to CDHS staff copies of the manuals or other CDHS-approved presentation materials for the walkthroughs. The number of copies shall be determined by CDHS.
- D. The Contractor shall update any manual(s) found to be inadequate by CDHS within the time frames as specified in this Contract.

1.12.9 PROCESS GROUP

- A. Ensure the PG is fully staffed and operational one (1) week prior to Assumption of Operations.

1.13 QUALITY MANAGEMENT PROGRAM

1.13.1 QUALITY ASSURANCE PLAN

The Contractor shall update and submit for CDHS review and approval the Quality Assurance Plan, no later than one (1) month after the CED. This plan shall meet all the requirements described in the Exhibit A, Attachment II, Section 4, Quality Management Program, as well as demonstrate Contractor performance for all quantitative and qualitative standards as defined in the Contractor's Narrative Proposal. The plan shall also include a comprehensive list of all areas to be monitored as required by the Contract, and identify each area as either a "key" area or "non-key" area, the sampling and compliance testing methodology for each area and the sampling methodology for drawing a random sample of non-key areas to be monitored and/or compliance tested each month.

1.13.2 QUALITY ASSURANCE STANDARDS AND PROCEDURES MANUAL

The Contractor shall submit for CDHS review and written approval the Quality Assurance Standards and Procedures Manual, no later than three (3) months after CED. The procedures and standards described in the manual shall be implemented no later than one (1) month prior to Assumption of Operations. This manual shall incorporate the detailed procedures for all requirements described in the Exhibit A, Attachment II, Section 4, Quality Management Program.

1.13.3 HCO OPERATIONS POLICY AND PROCEDURES MANUALS

This provision describes HCO Operations Policy and Procedures manuals that must be updated and revised, or where necessary, developed by the Contractor.

1.13.4 POLICY AND PROCEDURES MANUALS INSTALLATION PLAN

One (1) month after the CED, the Contractor shall submit to CDHS, for review and written approval, a Policy and Procedures Manuals Installation Plan. The plan shall include narrative descriptions, detailed procedures, an implementation schedule, and a Gantt (or equivalent) chart of the Contractor's plan.

The plan shall provide for a review of each existing procedures manual to determine:

- A. If the manuals are appropriate for the Contractor's operation of all functions relating to the HCO Operations.
- B. If the existing policy and procedures enable the Contractor to accomplish all contractual responsibilities.
- C. If any modification of existing, development of new, and/or consolidation of existing Policy and Procedures Manuals is necessary.
- D. Which manuals meet requirements of this Contract and which manuals require modification or updates. Submit detailed examples and lists of each that require revisions.

1.13.5 POLICY AND PROCEDURES MANUALS SUBMISSION

A. The Contractor shall, no later than two (2) months prior to Assumption of Operations:

- 1. Submit the manuals to the CDHS for review and written approval.
- 2. Ensure that CDHS staff is trained in the use of manuals, as requested by the CDHS.
- 3. Distribute, as directed by the CDHS, one (1) hardcopy of the approved manuals to CDHS.
- 4. Provide an attestation of whether the existing procedures are adequate for the Contractor to accomplish all contractual responsibilities.
- 5. Provide an attestation of whether any modification of existing, development of new, or consolidation of existing procedure manuals is necessary.
 - a. If modifications are necessary, state, in detail, how the proposed modifications shall meet requirements of this Contract.
 - b. Submit all revisions to CDHS for review and written approval, prior to implementation of the revisions.
 - c. Distribute one copy of each revision(s), in a format to be determined by CDHS, to each of CDHS manual(s) users at no additional cost to CDHS after CDHS has given final approval to the updates.

- d. Be responsible for implementing the new and/or updated procedures.

1.14 PROBLEM CORRECTION PROCESS

1.14.1 PROBLEM CORRECTION PROCESS PLAN

The Contractor shall develop and submit for CDHS review and approval the Problem Correction Process (PCP) Plan no later than three (3) months prior to Assumption of Operations. This plan shall meet all the requirements described in the Exhibit A, Attachment II, Section 5, Problem Correction Process, as well as describe the procedures to be followed in order to execute the Contractor's Problem Correction Process responsibilities as required in Exhibit A, Attachment II, Section 5, Problem Correction Process. At a minimum, this plan shall include:

- A. A description of the Contractor's procedures to document, track, maintain and update all Problem Statements (PSs) in the PCP tracking tool until final resolution.
- B. A description of the procedures the Contractor shall use to allow instant access to all approved users to the PCP tracking tool;
- C. A description of the procedures the Contractor shall use to implement the requirements as stated in Exhibit A, Attachment II, Section 5, Problem Correction Process.
- D. The submission of the PCP Manual.
- E. The submission of all PS forms for CDHS review and approval prior to use.
- F. A description of the types of problems and issues that fall into each category of PSs, as defined in Exhibit A, Attachment II, Section 5, Problem Correction Process.

1.15 REPORTS DISTRIBUTION LIST

The Contractor shall, at a minimum, meet all the requirements as specified in Exhibit A, Attachment II, Section 6, Reports. The Reports Distribution List shall be submitted for CDHS review and written approval no later than two (2) months prior to Assumption of Operations. The Contractor shall install CDHS-approved Reports Distribution Lists one (1) month prior to Assumption of Operations.

1.15.1 REPORT USERS MANUALS

The Contractor shall submit the Report Users Manuals for CDHS review and approval three (3) months prior to Assumption of Operations. CDHS approved manuals shall be made available by the Contractor one (1) month prior to Assumption of Operations.

The Contractor shall update or develop, as necessary, the Report Users Manuals, for all HPE Process Operations and/or reports.

These manuals shall be developed and/or updated incorporating all General Responsibilities as they relate to reports, as addressed in this Takeover Requirements section and as specified in Exhibit A, Attachment II, Section 6, Reports, along with the Reports Users Manuals that were developed by the prior contractor.

1.16 RECORDS RETENTION

1.16.1 RECORDS RETENTION PROCEDURES PLAN

The Contractor shall submit the Records Retention Procedures Plan for CDHS review and approval no later than three (3) months prior to Assumption of Operations. This plan shall describe the procedures to be followed in order to execute the Contractor's record retention responsibilities as required in Exhibit A, Attachment II, Section 7, Records Retention and Retrieval. At a minimum, this plan shall include:

- A. A description of the Contractor's procedures to ensure the preservation, protection, and maintenance of all HCO Program records that are a part of, or result from, HCO Operations under this Contract or have been transferred to the Contractor.
- B. The procedures the Contractor shall undertake to ensure the replication of acceptable copies of HCO Program records, in the format agreed upon by CDHS.
- C. A description of the procedures the Contractor shall utilize to provide access, retrieval, review and certification of HCO Program records. This portion of the Contractor's plan shall describe the design and compilation of a Master Index to assist in the location and retrieval of records.
- D. The name of the specific office or position within the Contractor's organization that shall be responsible for executing the Contractor's records retention responsibilities.

1.16.2 IMPLEMENTATION OF RECORDS RETENTION FUNCTION

The Contractor shall:

- A. Implement its record retention responsibilities and perform the responsibilities of custodianship of the HCO Program records immediately upon the Assumption of Operations. A complete description of these responsibilities is contained in Exhibit A, Attachment II, Section 7, Records Retention and Retrieval.
- B. Submit to CDHS for review and approval a copy of the Master Index for HCO records no later than one (1) month prior to Assumption of Operations. The Master Index shall list, at minimum, all items under the custodianship of the Contractor, their volume, their medium, and whether they are complete in terms of the period of time required as described in Exhibit A, Attachment II, Section 7, Records Retention and Retrieval.

- C. Submit proposed Document Management Process specifications to CDHS for review and approval one (1) month prior to Assumption of Operations.
- D. Prepare and submit to CDHS for review and approval a copy of the Records Retention and Retrieval Policy and Procedures Manual no later than four (4) months prior to Assumption of Operations.
- E. Develop and submit to CDHS for review and approval a Records and/or Files Summary to include a brief description of all records and/or files maintained during this Contract. The first Records and/or Files Summary shall be submitted to CDHS at Assumption of Operations. The summary shall be maintained, updated, produced, and resubmitted to CDHS for review and approval on a quarterly basis thereafter, throughout the term of the Contract.

1.17 SECURITY AND CONFIDENTIALITY PLAN

The Contractor shall:

- A. Submit to CDHS for review and approval a Security and Confidentiality Plan, within one (1) business day after CED. The plan shall meet the requirements as specified in the Exhibit A, Attachment II, Section 8, Security and Confidentiality.
- B. Implement the Security and Confidentiality Plan two (2) weeks after CED.
- C. Treat all information supplied by CDHS during Takeover, Assumption of Operations, Operations and Turnover as confidential, subject to protection identified in the Security and Confidentiality Plan.

1.18 DISASTER PREVENTION AND DISASTER RECOVERY/BUSINESS CONTINUITY PLAN

The Contractor shall:

- A. Update and submit for CDHS review and approval the Disaster Prevention and Disaster Recovery/Business Continuity Plan no later than four (4) months prior to Assumption of Operations. This plan shall incorporate, but not be limited to, the Disaster Prevention Procedures and Disaster Back-Up and Disaster Recovery/Business Continuity Procedures, as well as all requirements described in the Exhibit A, Attachment II, Section 9, Disaster Prevention and Disaster Recovery/Business Continuity.
- B. Ensure that any storage of back-up operating instructions, procedures and reference files shall begin one (1) month after CED.
- C. Submit procedures for updating off-site materials to CDHS for review and written approval four (4) months prior to Assumption of Operations.
- D. Identify a back-up facility(ies) that can process all HCO Operations requirements four (4) months prior to Assumption of Operations. This facility(ies) shall meet all Contract requirements as stated in the Exhibit A, Attachment II, Section 9, Disaster Prevention and Disaster Recovery/Business Continuity.

1.19 HEALTH PLAN ENROLLMENT PROCESS

The requirements in this subsection, 1.19 Health Plan Enrollment Process, are required if an automated system is proposed and accepted as part of the Contract. These requirements are in addition to, and shall not supersede, the requirements established in Exhibit A, Attachment I, II and III.

1.19.1 HEALTH PLAN ENROLLMENT PROCESS COMPLIANCE PLAN

Two (2) weeks after CED, the Contractor shall submit for written CDHS approval an Health Plan Enrollment (HPE) Process Compliance Plan for bringing the HPE Process functions into full compliance with the standards and requirements in Exhibit A, Attachment II, Section 10, Health Plan Enrollment Process.

1.19.2 HPE PROCESS PROCEDURES AND SYSTEMS GROUP ORGANIZATION MANUAL

The Contractor shall submit for CDHS review and approval the HPE Process Procedures and Systems Group (SG) Manual three (3) months prior to Assumption of Operations. This manual shall be submitted with the requirements as stated in Exhibit A, Attachment II, Section 10, HPE Process.

1.20 DATA DICTIONARY USERS GUIDE

The Contractor shall submit to CDHS for review and approval prior to Acceptance Testing the Data Dictionary Users Guide. The Users Guide shall describe, at a minimum, the following:

- A. The operation and capabilities of the Data Dictionary.
- B. Information available to users of the Data Dictionary, and how users access and retrieve this information.
- C. Examples and explanations of screens encountered by users.
- D. Information regarding additional assistance available from the Contractor to users during online sessions.
- E. Glossary and a brief explanation of all commands.
- F. Interaction of the Data Dictionary with the rest of the HPE Process.

The Data Dictionary Users Guide shall completely describe the Contractor's practices and procedures in updating and maintaining the Data Dictionary, as required in Exhibit A, Attachment II, Section 10.6, Systems Development Guidelines. The activities required to install the Data Dictionary electronically shall be incorporated into the Software Installation and the File Installation Plans.

1.20.1 FILES

1.20.1.1 FILE LAYOUT DESCRIPTIONS MANUAL

The Contractor shall submit one (1) month after CED a Data File Layout Descriptions Manual. The manual shall include a narrative of the data file including the purpose, logical function, and processing intent. A brief narrative describing each record type and a schematic of all record types shall be included.

1.20.1.2 FILE INSTALLATION PLAN

The Contractor shall submit a Data File Installation Plan to CDHS for review and approval three (3) weeks after CED. If an automated solution is proposed, the plan shall, at a minimum, describe:

- A. Installation dates for each file.
- B. Availability of computer hardware and system software to enable installation.
- C. Storage media for files.
- D. Interdependencies with other Takeover tasks and contingencies for problems or delays. This shall include the files needed to support each Takeover task, including System Testing, Acceptance Testing and the various components of the HCO Operations.
- E. Procedures for installation of files, including file conversions and considerations for files with additional history during Takeover.
- F. Procedures for generating files for transmittal to CDHS and other entities.

1.20.1.3 INSTALLATION OF FILES

Testing files will be made available to the Contractor for testing prior to the required installation date. Communication protocols, line configuration, communication software, etc., shall be determined by CDHS during Takeover. Utilizing the Data File Installation Plan, if an automated solution is proposed, the Contractor shall:

- A. Accept, install, and utilize CDHS supplied files or production files for Acceptance Testing.
- B. Install all files necessary to assume HCO Operations and systems, no later than three (3) business days after receipt of same by the Contractor.
- C. Install and update the following specific files which require special consideration prior to the startup of HCO Operations processing functions.
 - 1. Accept MEDS transactions one (1) month prior to Assumption of Operations. The Contractor shall receive MEDS data through a link to Department of Technology Services (DTS).

2. Accept and install the history files from the prior contractor prior to the Assumption of Operations, as well as receive and process weekly updates from the prior contractor until the end of the prior Contract.
3. Maintain its own history files beginning with Assumption of Operations.
4. Accept and install all data files and records of all enrollments and disenrollments authorized by the prior Contractor, immediately prior to Assumption of Operations and utilize this file for editing new enrollment and disenrollment requests to avoid duplicates after Assumption of Operations.

For all of the above files, the Contractor shall submit appropriate reports to CDHS in compliance with the requirements of Exhibit A, Attachment II, Section 6, Reports.

1.20.1.4 FILES DURING ASSUMPTION OF OPERATIONS

Various files, as described in the Exhibit A, Attachment II, Section 10, HPE Process,, shall be transferred from the prior contractor for use in this Contract. Installation of these files shall occur within three (3) business days after receipt by the Contractor. The Contractor shall:

- A. Update or merge newly transferred files with prior files that the Contractor has already installed and has been maintaining.
- B. Process any residual enrollments, disenrollments and exception request forms transferred at the end of the prior contractor's contract.
- C. Accept and install all files that CDHS may designate as part of the responsibilities of the assumption of the residual inventories from the prior contractor.
- D. Transfer and maintain all weekly, monthly, and yearly history files in order to maintain complete records and have the files readily accessible to re-create history.

1.20.2 SYSTEMS TESTING

1.20.2.1 SYSTEMS TESTING PLAN

The Systems Testing Plan shall be updated and submitted for CDHS review and approval one (1) month after the CED and shall describe the method(s) of testing all manual and automated segments of the HCO Operations as well as scheduled testing dates. Systems testing of the HCO Operations shall progressively test each program as well as the collective system integrating all parts of the system.

The Contractor's Systems Testing Plan shall:

- A. Clearly define, uniquely identify, and independently schedule each testing to be performed.
- B. Define Systems Testing documentation standards; provide for inclusion of initial and subsequent testing results and storage of all testing documentation in a central location in a manner easily accessible and retrievable by CDHS monitoring staff.
- C. Relate testing to the HPE Process design documentation and overall Contract requirements.
- D. Review manual, administrative support, and operating procedures with direct links to the HPE Process. Validate Quality Management Process procedures for setting accuracy and error levels and for monitoring compliance.
- E. Define the methodologies and procedures for identifying and tracking areas of unacceptable performance and the Corrective Action Process(es) (CAP) applied to deficiencies. These methodologies and procedures shall include steps for CDHS review and approval during the problem identification/tracking and CAP, and provisions for daily written notification to CDHS when problems are identified.
- F. Identify the number, classification, and names of key staff responsible for each testing, including Contractor staff responsible for communication with CDHS during Systems Testing.
- G. Include actual testing scenarios along with expected results.
- H. Specify the criteria the Contractor will use in determining the completion of each Systems Testing activity.

1.20.2.2 SYSTEMS TESTING

The Contractor, with the participation of CDHS staff, shall execute the Systems Testing Plan, make corrections, and keep CDHS informed on the status of all tasks and activities identified in the plan. The Contractor shall provide office space for up to six (6) CDHS staff during Systems testing (see Exhibit E, Additional Provisions and Exhibit A, Attachment II, Section 10, HPE Process).

The Contractor shall:

- A. Prepare for systems testing activities, including but not limited to:
 - 1. Create testing files with predetermined sets of data to ensure proper testing of all testing scenarios.
 - 2. Install system software and hardware.
 - 3. Prepare and install the HPE Process and supporting processes.

- B. Test all aspects of the HCO Operations, to include but not limited to:
 - 1. Validating all system programs to conform to specifications, Contract requirements and Exhibit A, Attachment II, Section 10.12, System Design Standards.
 - 2. Validating that processing cycle times meet CDHS requirements.
 - 3. Testing system performance and system capacity.
 - 4. Verifying that online response times meet CDHS requirements.
 - 5. Executing steps of the HPE Process to verify operating procedures and Contract requirements.
 - 6. Testing all HPE Process reports and output.
- C. Develop and conduct parallel testing of HCO Operations and HPE Process processing functions that parallel the prior contractor's processing functions. Testing shall be conducted during Systems Testing and CDHS Acceptance Testing Phase of Takeover.
- D. Simulate disaster conditions and execute recovery procedures, including availability and use of the backup facility(ies) to test the Disaster Prevention and Disaster Recovery/Business Continuity Plan.
- E. Monitor and report testing results to CDHS, to include:
 - 1. Execution of all other procedures supporting the system functions. This includes, but is not limited to, input preparation, data entry, control functions, enrollment and exemptions processing, and customer service functions.
 - 2. Conduct weekly status meetings with CDHS to discuss overall status as well as identify areas of unacceptable performance, corrective action(s) to be taken; and areas where performance is acceptable.
 - 3. Conduct walkthroughs and submit documentation showing the Contractor's results of each testing scenario. Additional documentation and related materials requested by CDHS shall be submitted no later than one (1) business day after the request.
- F. Send a written Contractor certification to CDHS prior to CDHS Acceptance Testing indicating the following:
 - 1. Certifying the preparedness to begin full HCO Operations based on the successful completion of Systems Testing.
 - 2. Submit a report detailing Systems Testing results to support the readiness of HCO Operations for CDHS Acceptance Testing.

- G. Completion of Systems Testing is subject to CDHS review and approval. If CDHS does not approve the Systems Testing results, the Contractor shall continue its System Testing as directed by CDHS.
- H. The Contractor may continue the Systems Testing after the date of the Contractor certification to CDHS of readiness for CDHS Acceptance Testing, and/or the date of written CDHS approval of Contractor completion of Systems Testing. Any changes made by the Contractor shall be identified, systems tested following the rules and guidelines of this section, and moved into Acceptance Testing after approved by CDHS.
- I. Using the Problem Correction Process (PCP), fully document all deficiencies found, by the Contractor and/or CDHS, during and after the installation of the HPE Process and/or Systems Testing. CDHS shall determine whether a deficiency exists and, if so, whose responsibility the deficiency is and how the deficiency is to be corrected.
 - 1. If the deficiency is determined to be CDHS responsibility.
 - a. CDHS shall determine whether the Contractor can implement the corrected change.
 - b. If it is determined that the Contractor can correct the deficiency for which CDHS is responsible, the work shall be performed by the SG and shall be billable to CDHS. The Contractor shall correct all known HCO Operations deficiencies prior to completion of Systems Testing.
 - 2. If the deficiency is determined not to be CDHS responsibility, the Contractor shall perform the work to correct said deficiency and shall not invoice CDHS for the work performed.
- J. Upon completion of Systems Testing, the Contractor shall accept the HCO Operations “as is” and shall be responsible thereafter for any pre-existing deficiencies.

1.20.3 ACCEPTANCE TESTING

Prior to Acceptance Testing, the Contractor shall resolve inconclusive and/or incomplete areas of System Testing identified by CDHS. CDHS Acceptance Testing will place emphasis on the proficiency of the Contractor’s staff in performing HCO Operations including both automated and manual procedures, and on the adequacy of the Contractor’s computer resources to conduct all HCO Program functions. Assumption of Operations shall not be permitted until CDHS approves, in writing, completion of Acceptance Testing.

The Contractor shall execute all Acceptance Testing as directed by CDHS. Acceptance Testing of processes shall be comprehensive to accomplish the following objectives:

- A. Ensure the transferred HCO Operations and processes are in accordance with Contractual requirements and that any differences between the Contractor's results and the results from the existing incumbent system can be explained as a higher level of compliance with these requirements.
- B. Ensure that integrity has been maintained with regard to established standards and acceptable data processing techniques.
- C. Ensure a smooth transition of all HCO Operations at Assumption of Operations while ensuring that the transition remains transparent to health plans, beneficiaries, applicants and system users.
- D. Ensure that the Contractor's operation of the HPE Process functionality is ready for processing at Assumption of Operations.
- E. Identify where the HCO Operations do not conform to program policies and procedures in order to ensure correction of any system deficiencies.

1.20.3.1 ACCEPTANCE TESTING SUPPORT PLAN

The Contractor shall submit an Acceptance Testing Support Plan to CDHS for review and approval three (3) months after CED. The plan shall:

- A. Allow at least eight (8) business days for CDHS Acceptance Testing and other requirements included in CDHS plan.
- B. Describe the Acceptance Testing Support Plan that the Contractor shall provide to CDHS. For each testing described below, the Contractor resources allocated to the testing shall include staffing by organizational unit, computer hardware, and support equipment.
- C. Include a full description of how the Contractor shall perform and fulfill its backup and recovery responsibilities in compliance with all requirements of this Contract.
- D. Define the methodologies and procedures for tracking areas of unacceptable performance and the corrective action process(es) applied to deficiencies. These methodologies and procedures shall include steps for CDHS review and approval during the problem tracking and Corrective Action Processes (CAP), and provisions for daily written notification to CDHS when problems are identified.
- E. Describe the process and schedule for conducting the final parallel testing.

1.20.3.2 ACCEPTANCE TESTING RESPONSIBILITIES

- A. The acceptance testing shall occur prior to Assumption of Operations with enough time to provide CDHS at least eight (8) business days for testing as well as to certify the results of testing and preparation of system implementation. Acceptance Testing shall follow completion of Systems Testing, certification by the Contractor that the HCO Operations is ready for Acceptance Testing, and

CDHS review of the Contractor's System Testing results. The Contractor shall continue to provide office space for six (6) on-site CDHS staff during Acceptance Testing.

- B. During Acceptance Testing, the Contractor shall conduct its second of two (2) parallel testings of the HCO Operations and HPE Process with the prior contractor. The results of the testing shall be submitted to CDHS for review and approval and shall serve as input to CDHS Acceptance Testing decisions on Contractor readiness to assume full operation of the HCO Operations. If either or both of the parallel testing fail to show the Contractor is capable of processing with the same results as the prior contractor or if the Contractor encounters problems, the testing(s) shall be rerun until CDHS approves in writing the results.

The Contractor shall:

- A. Review CDHS Acceptance Testing Plan as well as their plan to ensure all elements of the facility(ies), staff, hardware, software, and other resources required for Acceptance Testing are operational and ready.
- B. Provide a separate Testing Unit to provide ongoing testing capabilities and support to CDHS, for both the period of Acceptance Testing and for the period of ongoing operations under the Contract. This Testing Unit shall include all necessary resources to support such a unit including, but not limited to, adequate hardware, software, physical facility(ies) and knowledgeable personnel.
- C. Perform Acceptance Testing functions as directed by CDHS within the time frames established by CDHS. The Contractor shall maintain open communication with CDHS during testing, and shall provide walk-throughs to CDHS staff on specified testing, upon request.
- D. Submit to CDHS for review and approval all Acceptance Testing documentation, including files, reports and individual enrollment, disenrollment and exemption data necessary to validate testing results. These materials shall be submitted to CDHS no later than one (1) business day following testing execution. The Contractor shall submit to CDHS a list of such testing documentation each week.
- E. Respond to and correct all problems identified by CDHS as a result of the Acceptance Testing within twenty-four (24) hours of notification. The Contractor shall repeat Acceptance Testing until criteria defined by CDHS are met and satisfied.
- F. Maintain the Acceptance Testing environment to reflect those of the production environment. These Acceptance Testing files, processes/programs, etc., will be used to conduct Acceptance Testing of all system changes that occur during the HCO Operations period of this Contract.
- G. For the entire Takeover Acceptance Testing period as well as the HCO Operations period of the Contract:

1. Provide a separate testing environment for Acceptance Testing purposes.
 2. Create and maintain testing history files for Acceptance Testing purposes only.
 3. Specify migration schedule for program “fixes” from the System Testing environment to the Acceptance Testing environment and migrate only after CDHS review and written approval.
 4. Create and maintain Acceptance Testing access to MEDS and other support files according to CDHS direction.
- H. Ensure all Acceptance Testing on manual and automated segments of the Contractor’s operation shall be performed with the same equipment to be used for full HCO Operations.
- I. Ensure that Contract staff with appropriate classifications and training to support testing shall be in place prior to the start of Acceptance Testing. Contractor management and technical staff may not be used for manual operations processing activities.
- J. Perform volume, stress and parallel testing as directed by CDHS, to demonstrate the ability to process expected HCO Program workloads accurately within prescribed time frames.
- K. Where appropriate, ensure testing shall be scheduled concurrently so that Acceptance Testing can progress more rapidly.
- L. Ensure that CDHS staff shall have access to all HPE Process facility(ies), equipment, software, files, and other materials covered by this Contract, in support of any tasks related to testing. Such access shall include the use of on-line terminals to access any system related data.

1.20.3.3 ACCEPTANCE TESTING - CDHS RIGHTS

During Acceptance Testing, CDHS reserves the right to:

- A. Take the primary role in the evaluation of Acceptance Testing. The Contractor shall participate in the evaluation as directed by CDHS. The evaluation process will compare expected results against the actual testing results. Any problems found during testing shall be resolved as described in this Takeover Section.
- B. Reduce the scope of Acceptance Testing if the Contractor can adequately demonstrate preparedness for Assumption of Operations, or expand levels of testing where CDHS determines additional testing is needed.
- C. Continue testing and monitoring until all testing System Variance Reports (SVRs) identified during Acceptance Testing have been resolved. The Contractor shall provide all necessary support. All deficiencies are to be corrected by the Contractor.

- D. CDHS may continue testing the system and processes after the Assumption of Operations in order to identify and ensure correction of any remaining deficiencies, or as part of CDHS ongoing monitoring of the SG testing. Upon completion of the Takeover Acceptance Testing, the Contractor shall maintain and make those testing files available to CDHS staff for Acceptance Testing of system changes during the HCO Operations period of this Contract.

1.20.3.4 ACCEPTANCE TESTING CATEGORIES

Ensure adequate testing of all aspects of the HCO Operations and supporting systems, Acceptance Testing is split into several categories. Each main category of Acceptance Testing shall be subdivided into segments to provide for selected testing of all elements (these shall be defined in CDHS detailed Acceptance Testing Plan). The main categories and related general testing activities are described as follows:

A. System Related Testing

1. Each functional area of the HPE Process described in the Scope of Work shall be thoroughly tested.
2. Each supporting system (such as the PCP) shall be thoroughly tested to ensure each process is operating as designed.

B. Manual Operations

1. Manual operations include, but are not limited to: input preparation, data entry, forms processing, customer service functions, research operations, mailroom functions and all other operational areas. All manual processes shall be tested. Input and/or output activities and functions performed by any other Contractor Organizational Unit shall be included in the manual operations Acceptance Testing process.
2. Input preparation shall be tested from receipt of all inputs in the mailroom through sorting, batching, numbering, scanning, and controlling, to submission of data entry, to records retention and retrieval responsibilities. Outputs from data entry shall be examined.

C. Automated Processing

1. Automated processing includes all online automated processes performed on the Contractor's computer and all processing of documents from receipt through completion of the transaction (such as enrollment, disenrollment or exemption).
2. All transactions submitted to outside entities shall be tested with the appropriate organization to ensure proper transmission of data.
3. All transactions supported by the HPE Process shall be tested with both valid and invalid data. All forms of input data and processing cycles shall be tested to ensure that appropriate files are updated. Files, reports, and screens

produced by each process shall be examined for conformity to design requirements.

D. Technical Operations

1. Technical operations include all factors associated with computer job submission and operation and/or maintenance of the Contractor's computer equipment and operating system software. This category also includes simulated testing of CDHS network interface with the Contractor's computer center.
2. Manual procedures shall be analyzed, operator logs shall be reviewed, and general HCO Operations testing shall be run. The ability of the Contractor to adequately perform the required work is subject to CDHS evaluation.

1.20.3.5 SELECTED ACCEPTANCE TESTING SCENARIOS

1.20.3.5.1 ON-LINE FUNCTIONS TESTING

CDHS and Contractor staff shall enter transactions supported by the HPE Process data entry functions, to include, but not limited to, form entry and processing, beneficiary tracking information entry, and research processing. Transactions shall be submitted to test all variations of input. Input and output screens shall be checked, and outputs required by transactions requests shall be produced.

Assumptions:

- A. All HPE Process hardware and software shall be fully installed before the start of Acceptance Testing.
- B. Key Contractor staff from each organizational unit shall be allocated for the on-line functionality testing.
- C. Sufficient Contractor staff who meet CDHS proficiency standards shall be allocated to enable turnaround of CDHS submitted testing within the timelines defined in this Contract.
- D. Sufficient computer hardware and other support equipment shall be allocated to ensure turnaround of the testing within the timelines defined in this Contract.

1.20.3.6 VOLUME, STRESS AND PARALLEL TESTING

- A. CDHS shall provide the Contractor with documents or files to simulate some or all of a full business day's worth of HCO Operations and HCO process production functions. The Contractor shall demonstrate the ability to process the files, from start to finish, within specified time limits.

Perform parallel testing of the system prior to the Assumption of Operations. The Contractor shall conduct parallel testing during Acceptance Testing. The results of testing shall be reviewed and approved by CDHS.

Assumptions:

- A. Key Contractor staff from each organizational unit shall be allocated for this testing.
- B. Sufficient Contractor staff who meet CDHS proficiency standards shall be available to ensure testing completion within three (3) business days. The Contractor shall be prepared to handle daily, weekly, and monthly volumes for evaluation purposes.
- C. Sufficient computer hardware and support equipment shall be allotted to ensure turnaround for this testing within the timelines defined in this Contract.
- D. The Contractor shall install parallel HPE Process files to perform the parallel testing.
- E. This testing shall include automated processes.
- F. This testing shall be satisfied if completed on a timely basis as agreed to in writing by the Contractor and CDHS, and CDHS evaluation shows that expected results were achieved. CDHS may repeat this testing if results are not satisfactory.
- G. The Contractor shall compare the output of each testing and determine any discrepancies that exist and the source of those discrepancies.

1.20.3.7 GENERAL HPE PROCESS ACCURACY TESTING

CDHS shall provide the Contractor with documents designed primarily to test the HPE Process validity of data and accuracy of deliverables for all business functions for the various HCO Operations.

Invalid data shall be used to check the accuracy of rejection and error notification routines. Valid data shall be used to ensure that transactions meeting the validation criteria result in appropriate actions.

The Contractor shall execute the accuracy testings as directed by CDHS.

Assumptions:

- A. All HCO operations shall be fully implemented as agreed upon in project schedule.

- B. Key Contractor staff from each organizational unit shall be allocated for this series of accuracy evaluations.
- C. Sufficient Contractor staff who meet CDHS proficiency standards shall be allocated to enable turnaround of CDHS-submitted evaluations within the timelines defined in this Contract.
- D. Sufficient resources shall be allocated to ensure turnaround of the evaluations within the timelines defined in this Contract.
- E. This series of evaluations shall apply to all processes.
- F. Contractor staff shall be prepared to perform all corrections and documentation of any process deficiencies that are found, in the timeframes specified by this Contract.
- G. Any portion of the process where deficiencies were found shall be subject to retesting.
- H. This series of accuracy evaluations shall be successfully satisfied when CDHS approves of the HCO Operations accuracy.

1.20.3.8 CONTRACTOR STAFF PROFICIENCY TESTING

All HCO Program components are to be tested, including, but not limited to, file processing, forms processing, mailing operations, mailroom operations, TCC operations, presentations, materials development, inventory operations, correspondence with beneficiaries, health plans and other interested parties, quality assurance functions, problem corrections system, reports functions, record retention functions, security and confidentiality functions, and disaster prevention functions. The Contractor's staff shall demonstrate proficiency in all areas of the HCO Program process. The Contractor's staff shall demonstrate proficiency in communicating with CDHS staff in a variety of situations, per the requirements as specified in this Contract.

Assumptions:

- A. Key Contractor staff from each organizational unit shall be allocated for this testing.
- B. Sufficient Contractor staff who meet CDHS proficiency standards shall be available to ensure testing completion within three (3) business days.
- C. Sufficient resources shall be allotted to ensure turnaround for this testing within the timelines defined in this Contract.
- D. This testing shall include all processes.

1.20.3.9 SECURITY AND CONFIDENTIALITY TESTING AND DISASTER PREVENTION AND DISASTER RECOVERY/BUSINESS CONTINUITY TESTING

The Contractor shall demonstrate how the security and confidentiality requirements contained in the Security and Confidentiality Plan and Disaster Prevention and Disaster Recovery/Business Continuity Plan have been met and shall illustrate how developed procedures ensure Contract compliance. The Contractor shall visibly demonstrate, to CDHS, the existence of these factors within the Contractor's facilities.

Assumptions:

- A. The Contractor shall prepare a comprehensive checklist of factors from the Security and Confidentiality Plan and Disaster Prevention and Disaster Recovery/Business Continuity Plan.
- B. The Contractor shall provide walkthroughs to CDHS staff on all security and confidentiality factors, including but not limited to off-site storage of required documents and backup and recovery facilities.
- C. The Contractor shall provide a facility tour to demonstrate all visible security factors for CDHS staff.
- D. The Contractor shall apply and document corrective action(s) to any security and confidentiality factors CDHS determines to be inadequate.
- E. This testing shall be satisfied if completed in the timeframe as agreed to by the Contractor and CDHS, and if CDHS evaluation documents that expected results were achieved. CDHS may repeat this testing if results are not satisfactory.

1.20.3.10 ACCEPTANCE TESTING EVALUATION RESPONSE

- A. The Contractor shall submit a written response to each System Variance Request (SVR) for CDHS review and approval, within two (2) business days of receipt. The response shall include:
 - 1. A summary analysis of the SVR.
 - 2. Programs which are affected.
 - 3. A time frame for correction and resolution of each problem. CDHS shall have final approval of the time frame allowed for correction and resolution of each problem.
- B. CDHS shall review and approve or disapprove in writing the proposed resolution as well as determine the priorities for the system corrections.
- C. All deficiencies found during Acceptance Testing shall be corrected prior to the Assumption of Operations, unless otherwise approved in writing by CDHS. CDHS shall review those deficiencies caused by the incorrect computer applications of policy.

- D. The Contractor shall, at CDHS option, be required to repeat specified Acceptance Testing as a result of modifications applied by the Contractor in the resolution of SVRs.

1.20.3.11 ACCEPTANCE DECISIONS

- A. Prior to the Assumption of Operations, CDHS shall use Acceptance Testing results to determine if the Contractor is ready to assume HCO Operations. Acceptance Testing and Contractor corrective actions shall continue until the Contractor is prepared to assume HCO Operations.
- B. The Contractor shall not assume HCO Operations until written CDHS approval of Contractor readiness for Assumption of Operations is provided.

1.20.4. EVALUATION OF MANUALS

The Contractor shall demonstrate that all manuals required for the HCO Operations and HPE Process are available, current, complete, and adequate for the Contractor's environment. CDHS shall review, evaluate and approve all procedures, training, and any other HCO Program documentation.

Assumptions:

- A. For those manuals needing development and/or revision, the Contractor shall submit to CDHS new or updated manuals as agreed upon in project schedule on CED. The Contractor shall, concurrently, submit to CDHS a list of those manuals requiring no development and/or revisions.
- B. For each manual, key Contractor staff from organizational units affected by the manuals shall provide walk-throughs to CDHS staff.
- C. The Contractor shall provide to CDHS staff copies of the manuals or other CDHS-approved presentation materials for the walk-throughs. The number of copies shall be determined by CDHS.
- D. The Contractor shall update any manual(s) found to be inadequate by CDHS within the time frames as specified in this Contract.

1.20.5 SYSTEMS GROUP

Ensure the SG is fully staffed and operational one (1) week prior to Assumption of Operations.

1.21 FINANCIAL MANAGEMENT

The Contractor shall:

- A. Submit the Financial Management Manual for CDHS review and approval one (1) month after CED. The manual shall meet the requirements described in the

Accounting Requirements in Exhibit E, Additional Provisions. The manual shall include the accounting procedures and processes to meet the Accounting Requirements of Exhibit E, Additional Provisions. These procedures and processes shall classify expenses by Takeover, Scope of Work, Additional Contractual Services, Amendments, Change Orders, Hourly Reimbursement, Cost Reimbursement and Turnover. Each of these major classifications of expenses shall be further broken down by:

1. Personnel time reporting;
 2. Ordering and paying for goods and services;
 3. Cost accounting services;
 4. Allocation of corporate overhead; and
 5. Accounting ledgers.
- B. Submit a Cost Reimbursement Plan for CDHS review and approval three (3) months prior to Assumption of Operations. This plan shall include, at a minimum, a narrative of the Contractor's activities in cost reimbursable areas during Takeover, Operations and Turnover, and the information specified in Exhibit B, Attachment I, Special Payment Provisions; and
- C. Submit updated specifications and report layouts for both the Estimated Expenses and Actual Expenses Reports for CDHS review and approval three (3) months after CED, as specified in Accounting Requirements in Exhibit E, Additional Provisions.

1.22 OTHER ADMINISTRATIVE PROCEDURES

The Contractor shall develop any and all administrative procedures required for Takeover of the Contract and to perform HCO Operations. These include, but are not limited to, such areas as budgeting and financial issues, personnel, inventory and acceptance of CDHS cost-reimbursed, purchased and/or leased hardware, software and equipment, and computer operations. All administrative procedures required for Assumption of Operations of the HCO Program shall be submitted for CDHS review and approval no later than two (2) months prior to Assumption of Operations.

1.23 ASSUMPTION OF OPERATIONS

This provision discusses the transfer of HCO Operations responsibilities to take place during Takeover, and defines the time frame for overlapping processing periods of this Contract and the prior contractor's responsibilities.

1.23.1 ENROLLMENT/DISENROLLMENT PROCESSING

The Contractor shall:

- A. Receive a copy of all files pertaining to activities of the prior contractor one (1) week prior to the Assumption of Operations;
- B. Accept responsibility for the Post Office boxes at Assumption of Operations; and
- C. Accept responsibility for the Telephone Call Center (TCC) toll-free telephone line(s) at Assumption of Operations.

1.23.2 TWO-WAY FILE TRANSFER

Two-way file transfer is a process by which the prior contractor transfers all files necessary for HCO Operations to the Contractor. The two-way file transfer shall be implemented prior to testing activities. This transfer includes, but is not limited to, the following:

- A. Utilizing the files necessary for the Assumption of Operations of all HCO Program activities, in accordance with the requirements in this section; and
- B. Testing the two-way file transfer for the process testing, acceptance testing and operational environments as outlined in testing plans.

1.23.3 FILE MAINTENANCE

The Contractor shall:

- A. Maintain all files, including receipt of data, from the prior contractor through the end of the prior contractor's Turnover period;
- B. Beginning with the Assumption of Operations, implement the record retention responsibilities; and
- C. At the time of receipt of processing data from the prior contractor, uniquely identify each transaction as processed by the prior contractor.

1.24 TAKEOVER COMPLETION

The Takeover Phase shall be considered completed and the Contractor's Takeover responsibilities accomplished upon the conclusion of the following items as approved in writing by CDHS:

- A. Complete implementation of all plans and activities required in this section of the Contract;
- B. CDHS acceptance and written approval of all Takeover deliverables;
- C. Correction, to the satisfaction of CDHS, of all errors and/or deficiencies identified during User Acceptance Testings, and verification and approval of such corrections by CDHS;
- D. Successful operation of all manual and automated activities of the HCO Operations for all activities during Takeover;

- E. Receipt of all residual inventory and residual records from the prior contractor and the processing of all inventory and storage of all records for retrieval; and
- F. Receipt and implementation of all information files produced by the prior contractor during Takeover.